New York City Rent Guidelines Board

Housing NYC:
Rents, Markets & Trends 2010

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Chairman's Acknowledgements

It is my pleasure to present to you the Rent Guidelines Board's (RGB) annual compendium of research: *Housing NYC: Rents, Markets and Trends 2010*. The reports contained herein form the foundation from which the members of the Board determine renewal lease adjustments for roughly one million rent stabilized housing units in New York City. Throughout the years, the City's housing community and professionals have come to rely on this publication for an in-depth look at the NYC rental housing market. Included within these pages is information regarding tenant affordability, owner income and expense data, changes to the composition of the housing stock and a myriad of additional housing data. It is my sincere hope that you find this compendium a useful housing resource.

As Chairman of the RGB, I want to recognize the efforts of the Board's research staff in producing these annual reports. Their professionalism and knowledge are greatly appreciated by the members of this Board. The staff's reports are an essential part of the Board's mandate and I'm proud of their work.

I would also like to extend my gratitude to the members of the RGB, whose task is a daunting one. We are mandated to set renewal lease adjustments that affect millions of New Yorkers while facing pressure from both sides of this issue. Their integrity and dedication to this process is commendable. It has been my honor to serve with such a knowledgeable group of professionals and I look forward to working with them in the future.

Jonathan L. Kimmel
Chairman

Executive Director's Acknowledgements

Each year the Rent Guidelines Board (RGB) is responsible for setting renewal lease adjustments for over one million rent stabilized housing units in New York City. To aid the Board in making these decisions, the RGB staff produces a series of annual reports that contain data that reflects the most current conditions and trends of rental housing in the City. Although these reports are produced for the Board, many government agencies, housing professionals and the public at large have come to rely on this data as a valuable source of information that reflects the state of the NYC rent stabilized housing stock. Over 20 years ago the RGB recognized this desire for our research by publishing our reports in compendium form. In acknowledgement of the continued demand for our research, it is with great enthusiasm that we release the most current edition, *Housing NYC: Rents, Markets and Trends 2010*. It is our sincere hope that you find the information contained within these pages a valuable tool in your understanding of the complex issues surrounding the NYC rental housing market.

As executive director of the RGB, my primary duty is to make sure that the members of the Board receive accurate and comprehensive data regarding rent stabilized housing. This research could not be conducted without the expertise of our conscientious and dedicated research staff. Brian Hoberman, the RGB's senior research associate, authored the *2010 Income and Expense Study*, *2010 Mortgage Survey Report* and *Changes to the Rent Stabilized Housing Stock in New York City in 2009*. In addition to his commendable work on these reports, Brian has contributed his computer skills to upgrade and maintain software and hardware used by the staff. Danielle Burger, the other key member to our experienced research staff, used her exceptional research skills to finish the *2010 Income and Affordability Study* and the *2010 Housing Supply Report* and was a significant contributor to this year's *Price Index of Operating Costs*. Both Brian and Danielle also maintain and contribute content to the Board's website, housingnyc.com.

The Price Index of Operating Costs (PIOC), which measures changes in operating and maintenance costs in rent stabilized buildings, is the most time consuming report undertaken by RGB's staff. Each member of the staff contributes to this report, which is conducted throughout the year. In addition, the Board hires a temporary staff to help collect prices for insurance, non-union labor, contractors, building supplies, and replacement items. Shirley Alexander served her seventeenth year, and perhaps her last, as the head of the PIOC temporary research staff. If it is indeed her final year in this position, I would like to express my sincere thanks for her many years of service to this project. Her hard work, dedication and vast knowledge of this project have been integral in the success of the PIOC year after year. Although we will need to find someone to assist us with the PIOC for next year, she can never be replaced. I consider her not only a colleague but also a friend. She is always welcome at the RGB. In addition to Ms. Alexander, our temporary PIOC staff was enhanced by the return of Jeanette Bisamunyu. We appreciate her dedication to the project and we value her experience. Finally, we would like to recognize the efforts of Jim Hudson in his review of the PIOC spreadsheets and the final written report. His statistical expertise, as well as his years of experience working on this project, helped to ensure that the data presented in this report is accurate. His continued dedication to the PIOC is very much appreciated.

The efforts of the RGB research staff would not be possible without the assistance of the RGB's administrative staff. For over 25 years our office manager, Leon Klein, has ably and conscientiously ensured that all members of the Board and staff are paid in a timely manner. Leon is also responsible for paying the Board's bills, managing our finances and monitoring staff benefits. His dedication to the RGB and his hard work do not go unnoticed. Charmaine Superville, our public information officer, is the "voice" of the RGB. She is the primary point person who answers the thousands of phone calls that we receive each year, which she does with kindness and clarity. In recent years, she has worked on the PIOC, helping to collect data from owners, managing agents and fuel companies. In addition, she helps to organize the Board's public meetings and hearings.

The job given to members of this Board, is at best, a difficult one. They must balance the needs of the escalating costs of running these buildings with the tenants' ability to pay their rents. It is with this in mind that I want to recognize the effort and dedication that each member of the RGB contributes to this process. It was a pleasure to work with such a devoted group. In particular, I'd liked to thank Jonathan Kimmel, the chairman of the Board, for his unwavering support of the RGB staff. His guidance and availability on a myriad of Board matters was much appreciated. I congratulate him on a successful first year at the helm and I look forward to working with him in the coming year.

Although RGB reports are produced entirely "in-house," our research efforts would not be possible without assistance from many others. For both the information and expertise they provided, our gratitude goes out to: Bill Sears at the Department of City Planning, for data on new housing completions; Farid Heydarpour at the NYC Comptroller's Office, who provides labor force data; Angela Orridge at the Department of Buildings, for City-wide demolition data; Floralba Paulino at the Bureau of City Marshals, for information on evictions and possessions; Juanita France at the NYS Attorney General's Office; Norma Gomez at the NYC Department of Housing Preservation and Development (HPD), for information regarding cooperative and condominium developments; Ernesto Belzaguy and Alia Razzaq at the NYC Civil Court, for data on housing court proceedings; Martha Cruz at the NYC Loft Board, for data concerning loft conversions to rent stabilization; Eileen Lynch at the Department of Homeless Services, for help with homeless statistics; and George Sweeting of the Independent Budget Office (IBO), for lending his expertise on real estate taxes. At New York State Homes and Community Renewal (HCR), previously the Division of Housing and Community Renewal, we would like to thank former Deputy Commissioner Leslie Torres, as well as Michael Berrios and Tracey Stock, for their assistance and expertise regarding owner registration data and Richmond McCurnin for his assistance with Mitchell-Lama data. In addition, our thanks goes out to the following staff members of HPD: Joe Rosenberg, Deputy Commissioner for Intergovernmental Affairs, for facilitating the collection of additional City-sponsored housing construction and sales data; Elaine R. Toribio of the Tax Incentives Program, who provided data on tax benefit programs; Christopher Simi, of the Inclusionary Housing/421-a Affordable Program; and Julie Walpert, Assistant Commissioner, Office of Housing Operations, who provides information regarding Mitchell-Lama units. We would like to thank the staff of NYC Department of Finance, in particular Leonard Linder, Director of Operations Research, Property Division and the following members of his staff: Ramon Castillo, Andreen McDonald, and Wendy Chong.

Our appreciation is extended to the numerous agencies that provided useful data throughout the year. At the national level: the U.S. Census Bureau, Residential Construction branch; the Bureau of Labor Statistics; the Federal Deposit Insurance Corporation; U.S. Bankruptcy Court; and the Department of Housing and Urban Development, Economic and Market Analysis Division. Agencies at the state level include: the Real Estate Financing Bureau of the Attorney General's Office; New York State Homes and Community Renewal, formerly known as the Division of Housing and Community Renewal; the Bureau of Data Management and Analysis of the Office of Temporary and Disability Assistance; and the Department of Labor's Research and Statistics Division. Local level sources include: Civil Court of the City of New York; the Department of Finance; the Department of Buildings; the Department of City Planning; the Department of Homeless Services; the Human Resources Administration; the Comptroller's Office; Corporation Counsel; the Bureau of City Marshals; the NYC Loft Board; and the Department of Housing Preservation and Development, Office of Development.

Once again, we would like to recognize the efforts of HPD in assisting the RGB in the many administrative issues we have had over the past year. In particular, we would like to thank Commissioner Rafael Cestero, Joseph Rosenberg, Moon Wha Lee, and Sheree West. Their thorough and conscientious work on behalf of the Board is greatly appreciated. We would also like to thank Robert Goldrich, the Board's liaison to the Office of the Deputy Mayor for Economic Development and Rebuilding, for his continued support of the RGB.

Finally, we give special thanks to those who testified at RGB meetings this year: from HPD, Joseph Rosenberg, Deputy Commissioner for Intergovernmental Affairs; from the New York City Housing Authority (NYCHA), Gregory Kern, Director for Leased Housing; David Frankel, Commissioner, NYC Department of Finance; and from HCR's Office of Rent Administration, Deputy Counsel Michael Rosenblatt and Assistant Commissioner Guy Alba.

Andrew McLaughlin
Executive Director

Income & Expense

2010 Price Index Of Operating Costs

What's New

- ✔ The Price Index of Operating Costs for Rent Stabilized Apartment Buildings (PIOC) increased 3.4% this year.
- ✔ Costs in pre-war buildings increased 1.9% and costs in post-war buildings rose 4.7%.
- ✔ The "core" PIOC, which excludes the erratic changes in fuel oil prices, natural gas, and electricity costs, is useful for analyzing inflationary trends. The core rose by 6.0% this year.
- ✔ Fuel oil costs rose 0.5%.
- ✔ Real estate taxes increased 10.1% due to a rise in assessments and tax rate for Class Two properties.
- ✔ Labor Costs rose 3.1%.
- ✔ The Utilities component decreased by 1.7% primarily due to a decline in electricity and gas costs.
- ✔ Insurance Costs decreased by 2.0%.
- ✔ The Price Index of Operating Costs for Rent Stabilized Apartment Buildings is projected to increase 6.7% next year.

Introduction

The Price Index of Operating Costs (PIOC) measures the price change in a market basket of goods and services used in the operation and maintenance of rent stabilized apartment buildings in New York City. The goods and services which make up the market basket were originally selected on the basis of the findings of a study of 1969 expenditure patterns by owners of rent stabilized apartment buildings. Minor changes in the specification of some of these goods and services have been carried out over time to maintain the representativeness of the market basket. The relative importance of the various goods and services in the market basket was updated in 1983 by means of a study of expenditure patterns of owners of rent stabilized apartment buildings.

The PIOC measures changes in the cost of purchasing a specified set of goods and services, which must remain constant both in terms of quantity and quality from one year to the next. The need to exclude the effect of any alterations in the quality of services provided requires that very careful specifications of the goods and services priced must be developed and applied. The pricing specifications must permit the measurement of changes in prices paid for carefully defined pricing units with specific terms of sale, such as cash, volume or trade discounts. For certain items, such as real estate taxes, the price paid is determined administratively, through information collected from City records.

Changes in the overall PIOC result from changes in the prices of individual goods and services, each weighted by its relative importance as a percentage of total operating and maintenance (O&M) expenditures. Because the market basket is fixed in the sense that the quantities of goods and services of each kind remain constant, the relative importance of the various goods and services will change when their prices increase either more quickly or more slowly than average. Thus, the relative importance, or weight, attached to each good or service changes from year to year to reflect the different rates of price change among the various index items. The expenditure weights used in the construction of the 2010 Price Index are based upon the 1983 Expenditure Study and are revised on the basis of annually measured price changes from 1982-2009.

The importance of each index component is shown by its "expenditure weight" (see Appendix B.2). The measured 2009-10 price changes in each index component are also presented in this appendix. The expenditure

Terms and Definitions

Price Index - the measure of price change in a market basket of goods and services.

Component - categories of goods and services, such as Labor Costs or Taxes, that comprise the market basket of a price index.

Item - representative individual goods and services within a component, such as Pushbroom, Plumbing, Faucet or Roof Repair.

Price Relative - the ratio of current and prior year's prices.

Expenditure Weight - the relative importance of the change in costs of different goods and services.

Specification - defined pricing units with specific terms of sale, such as cash, volume or trade discounts.

Apartments

Change In Costs for Rent Stabilized Apartment Buildings, May 2009 to March 2010

Taxes	10.1%
Labor Costs	3.1%
Fuel	0.5%
Utilities	-1.7%
Contractor Services	2.3%
Administrative Costs	4.1%
Insurance Costs	-2.0%
Parts and Supplies	1.7%
Replacement Costs	0.9%
All Costs	**3.4%**

weights and the 2009-10 price changes are then combined to provide the overall change in the PIOC over the period from 2009-10.

The 1983 Expenditure Study provides a basis for calculating separate sets of expenditure weights for buildings constructed before 1947 and for buildings constructed in 1947 or later (post-1946). Typically, buildings constructed before 1947 incur a lower percentage of operating and maintenance costs for property taxes, but their fuel costs represent a significantly higher percentage of total operating and maintenance costs than do the fuel costs of the post-1946 buildings. The differences between the pre-1947 and post-1946 expenditure patterns for buildings are combined in the construction of the overall PIOC. It is nevertheless possible to develop separate price indices for the pre-1947 and post-1946 buildings. In addition, there are separate price indices for gas-heated, oil-heated and master-metered buildings. Although the expenditure weights for all rent stabilized buildings and for each of the five subcategories of buildings differ, the price changes are the same for each of the six indices. (See Appendices B.2 and B.3)

The PIOC consists of nine cost components, each designed to measure changes in a category of costs such as fuel, insurance, utilities, etc. The methodology for each component is described in the final section of this report.

Summary

This year, the PIOC for rent stabilized apartment buildings increased by 3.4%, 0.6 percentage points less than the PIOC percentage change from the year before (4.0% in 2009). The PIOC was driven upward by a significant increase in real estate taxes of 10.1%. More moderate increases were seen in Administrative Costs (4.1%), Labor Costs (3.1%), Contractor Services (2.3%), Parts and Supplies (1.7%) and Replacement Costs (0.9%). These increases were offset by declines in the Utilities (1.7%) and Insurance Costs (2.0%) components. The change in the cost of fuel oil was nearly flat, rising just 0.5%. The growth in the Consumer Price Index (CPI) of 0.53% was nearly three percentage points lower than the PIOC.[1] See the adjacent table and Appendix B.2 for changes in costs and prices for all rent stabilized apartment buildings from 2009-10.

The "core" PIOC, which excludes erratic changes in fuel oil, natural gas, and electricity costs, is useful for analyzing long-term inflationary trends. The core PIOC rose by 6.0% this year and was higher than the overall PIOC primarily due to the exclusion of fuel oil costs that rose only 0.5%.

Price Index Components

Taxes

The Tax component of the PIOC is based entirely on real estate taxes. The change in tax cost is estimated by comparing aggregate taxes levied on rent stabilized apartment houses in Fiscal Year (FY) 2009 and FY 2010. The tax data was obtained from the New York City Department of Finance.

Real estate taxes rose this year by 10.1%. This is the second consecutive double-digit increase in real estate taxes: 11.7% in 2009. The change in taxes was due to a rise in assessments and an increase in the tax rate in FY 2010. Abatements and exemptions had a minor impact on the rise in taxes this year.

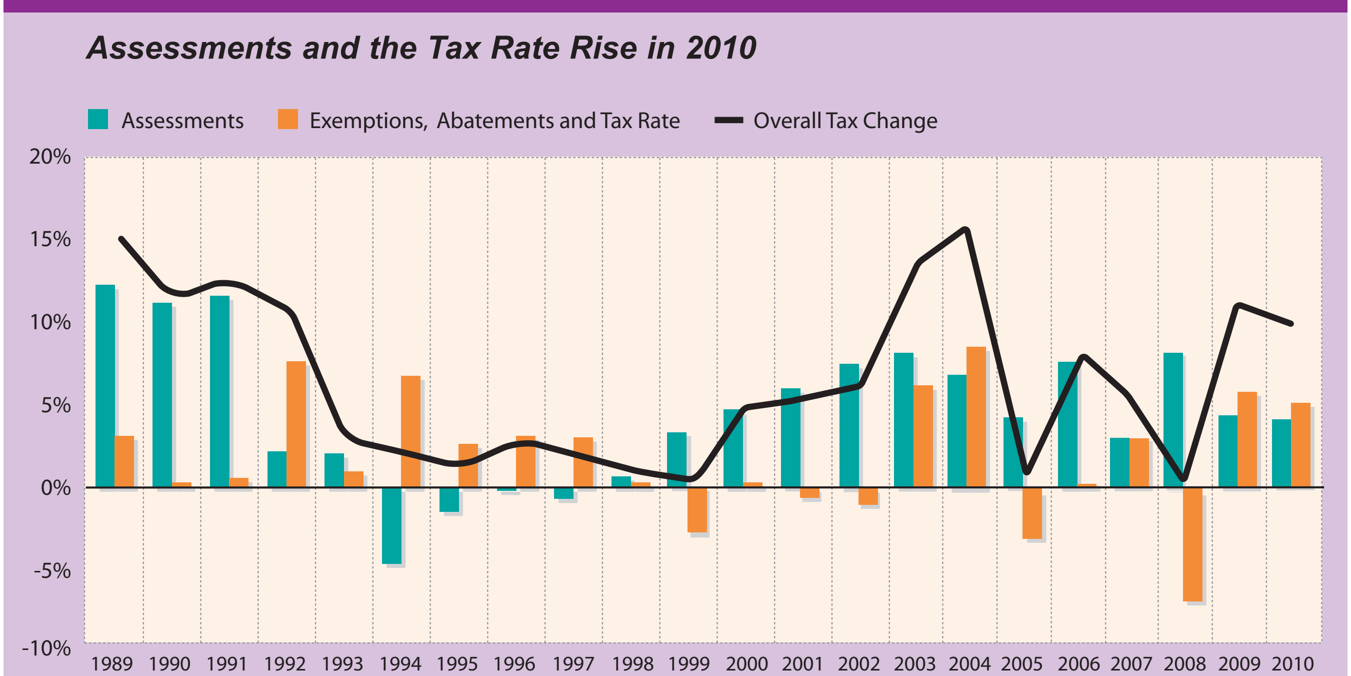
Tax Levy — The total tax levy for all properties in the City (commercial and residential) increased by 10.6% from FY 2009 to FY 2010. The Class Two property levy rose more than that of the City as a whole, at a rate of 11.3%. The distribution of the levy among property classes tends to shift from year to year. From FY 2009 to FY 2010, the levy share for Class Two properties increased, by 0.3 percentage points, from 37.2% to 37.5% of the total tax burden. The Class Two proportion of the levy share is the highest since the inception of the four-class system in 1983 when the share was 26.3%.

Tax Rate — The average annual FY 2009 Class Two tax rate of 12.596 increased by 5.1%, resulting in a new annualized rate of 13.241 for FY 2010. This is the second consecutive year in which the Class Two tax rate rose, increasing 5.6% in FY 2009.

These increases in the Class Two tax rate were preceded by a decrease in the tax rate of 6.4% in FY 2008. Increases in the tax rate of 2.8% and 1.5% were witnessed in FY 2007 and FY 2006, while a decrease was seen in FY 2005, when the rate declined 3.2%. Significant increases in the tax rate for Class Two properties were seen in FY 2004 and FY 2003 of 9.3% and 7.3% respectively.

Assessments — Assessed valuations of rent stabilized properties rose by 4.5% Citywide in FY 2010.

Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 1989-2010



Source: New York City Department of Finance

This rise in assessments was similar to last year's increase of 4.8%. This increase was primarily driven by a 7.6% rise in assessments in Manhattan. There were more moderate increases in Brooklyn (1.7%), Queens (0.6%) and Staten Island (.04%). In contrast, the Bronx witnessed a decline in assessments of 8.2%.

The change in assessed valuations of rent stabilized buildings in New York City has fluctuated following the cycles in the real estate market. Assessments rose dramatically from the late 1980s through 1991, increasing 8% or more each year (see graph on the previous page). In FY 1992 and FY 1993, the increase in valuations for stabilized buildings slowed to 2% per year. The impact of the recession was finally reflected in tax bills the following two years — valuations dropped 4.7% in FY 1994 and 1.3% in FY 1995. Smaller decreases occurred in the next two years. From FY 1998 to FY 2003, assessments increased each year at a higher rate than the previous year. Increases in assessed valuations were not as high as the year before in both FY 2004 and FY 2005. Since 2005, increases in assessments have been between 2.9% and 7.8%.

Abatements and Exemptions — This year, the number of rent stabilized buildings with abatements decreased by 6.1%. In addition, the average benefit value of the typical tax abatement also decreased, by 0.2%, from FY 2009 to FY 2010. The net impact of the decrease in both the number of abatements and the average abatement value was a negligible increase in the tax liability for rent stabilized buildings of 0.15%.

In FY 2010, the value of the average tax exemption decreased. However, 1.9% more rent stabilized buildings benefited from tax exemptions. The rise in the number of buildings receiving exemptions was offset by decreases in the value of tax exemptions, resulting in owners' tax bills actually rising by 0.06%. (See Appendices B.5 and B.6)

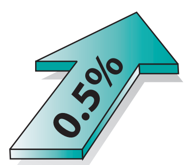
Labor Costs

The Price Index measure of labor costs includes union and non-union salaries and benefits, in addition to Social Security and unemployment insurance. The cost of unionized labor makes up nearly two-thirds of the Labor Costs component. The entire Labor Costs component comprises 13.4% of the overall Price Index.

Labor Costs rose 3.1%, similar to the increase seen in last year's PIOC of 2.9%. The rise in Labor Costs was due to increases in union and non-union wages as well as rises in healthcare and pension contributions. Unemployment insurance costs rose 6.8%.

Wages comprise three-quarters of the Labor Costs component. For the first time in 17 years the growth in union labor pay outpaced non-union labor wages. Non-union pay increased by 2.1%, which was one percentage point lower than the increase seen in the 2009 PIOC (3.1%). In contrast, the unionized wage increase was one percentage point higher than the previous year, rising 2.7% in 2010 compared to 1.7% in 2009.

Fuel

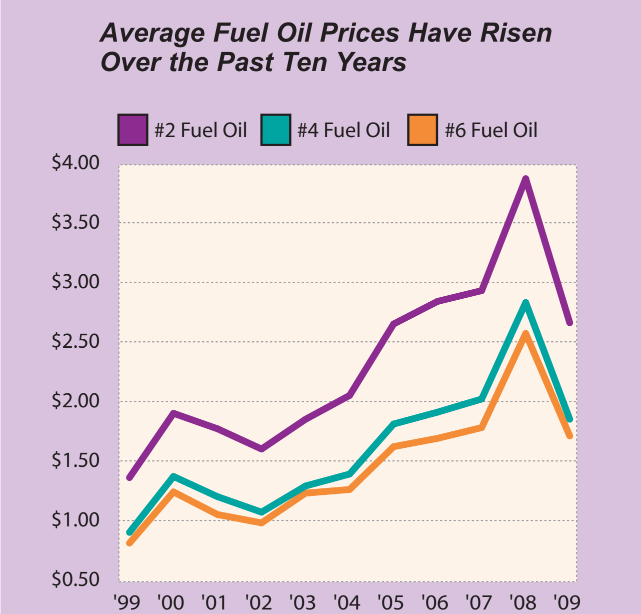


The Fuel component comprises roughly 13% of this year's Price Index. The change in cost measured in this component considers both the change in weather and the change in prices for the three types of heating oil used to heat multi-family buildings in New York City. First, the PIOC measured fuel prices from May to March and then compared them to the same months from the previous year. Over the past 11 months, fuel oil prices increased by 6.7%. The price for #2 oil, which comprises more than half of this component, declined 1.9%. In contrast, prices for #4 and #6 fuel oil increased, rising 15.6% and 22.5%, respectively. (See "Fuel Oil" in the Methodology section of this report for changes in the computation of the Fuel component.)

Second, along with measuring price, the PIOC also takes into account the effect of weather on the demand for fuel oil, especially during the heating season when the large majority of the fuel is burned. Since this year was warmer than last year, weather decreased the demand for fuel. The combination of the rise in heating oil prices and a decrease in demand resulted in an increase in the cost for heating buildings with oil by 0.5%.[2]

Changes in the Fuel component have been the most variable of any component in the Price Index over the past nine years. In three of the past six years, the cost of

Average Inflation Adjusted Fuel Oil Prices per Gallon, 1999-2009

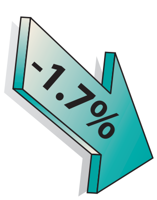


Note: Prices are in constant 2009 dollars
Source: Price Indices of Operating Costs, 1999-2010

fuel oil rose more than 20%, yet in 2007 and 2010 fuel costs rose 0.5%, while in 2009 costs declined 10%. In 2002 and 2004, fuel costs actually declined by 36.1% and 2.8% respectively, yet in 2003 costs rose 66.9%.

Over the past ten years the average prices per gallon for all fuel grades, which are pure prices that do not factor in weather, have risen substantially. The average price for all grades of fuel oil in 2009 was $2.38 a gallon. Adjusted for inflation, the average price in 1999 was $1.19. This is an annual rate of increase in the price of fuel of more than seven percentage points above the general rate of inflation. (See graph on this page)

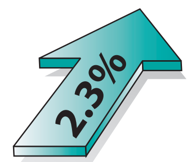
Utilities



The Utilities component consists primarily of electricity, natural gas, and water and sewer charges. In fact, water and sewer costs account for more than half of the Utilities component. Telephone and steam costs are a small part of this component. In the case of most Utilities items, changes in costs are measured using the PIOC specifications (i.e. the quantity of electricity, steam, etc. being purchased) and the changes in rate schedules. Water and sewer costs are based on the rate established by the New York City Water Board.

This year Utilities decreased 1.7%, which is in contrast to last year's increase of 10.9%. Decreases in the costs for gas (22.4%), electricity (5.8%) and steam (8.4%) were offset by an increase in water and sewer costs of 12.9%.[3] (See "Utility Costs Computations" in the Methodology section of this report for changes in the computation of the Utilities component.)

Contractor Services

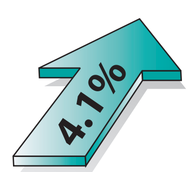


The Contractor Services component rose 2.3%, the lowest increase in this component since 1996 (1.8%) and 0.5 percentage points lower than last year's growth of 2.8%. In contrast, the preceding six years showed growth in this component of more than four percent annually. Previously, Contractor Services costs rose above four percent only once from 1992 through 2002.

The most important items in this component by weight are repainting and plumbing rates, which comprise nearly two-thirds of the Contractor Services component. Painters' rates rose 0.4%, down from last year's increase of 3.0%. Rates charged by plumbers increased by 4.0%, a higher increase than last year's growth of 2.8%. Painters and plumbers reported that increases in the cost of labor, insurance, and materials were the primary factors that led to an increase in their rates. However, there were a number of painting contractors who lowered their rates due to the poor economy and the need to attract customers.

All other items in this component witnessed increases ranging from 0.9%-6.3% except for floor maintenance, which decreased by 1.3%. (See Appendix B.2)

Administrative Costs



Administrative Costs rose 4.1%, the same increase as in 2009. Fees paid to management companies, accountants, and attorneys make up nearly this entire component.

A large portion of the growth in the Administrative Costs component can be attributed to a rise in management company fees (4.8%) that comprise nearly three-quarters of this component. Management fees are often tied to apartment buildings' rental income and are affected by changes in rents and vacancies. This year's growth is higher than last year's (4.4%), indicating that management companies raised their fees and/or rents increased at a higher rate than last year and there were fewer vacancies in the buildings they manage.

Accounting fees increased in this year's PIOC by 2.3%, 1.7 percentage points lower than last year's rise of 4.0%. Attorney fees rose 2.1%, higher than the prior year's increase of 1.7%.

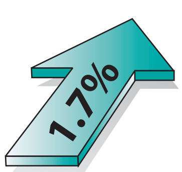
All other items in this component witnessed changes in price relatives from 0%-3.2%. (See Appendix B.2)

Insurance Costs

Insurance Costs decreased for the second consecutive year falling 2.0%, a smaller decrease than witnessed in last year's Index (2.9%). The increases seen in this component from 2006 to 2008 of 1.9%-2.5% were more moderate compared to the period between 2002-2005, when escalating insurance costs rose a cumulative 104%. Changes in this component in the fourteen-year period prior to 2002 fluctuated from a decrease of 1.5% to an increase of 5.2%.

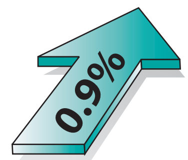
Changes in insurance costs for owners varied by the amount of the policy. Policies that cost more than $5,700, which are nearly half of all insurance quotes verified, saw an average decline in cost of 2.8% upon renewal. Meanwhile, smaller buildings with policies under $5,700 saw an increase of 1.1%.

Parts and Supplies



The Parts and Supplies component accounts for less than two percent of the entire Price Index. The overall increase in the Parts and Supplies component was 1.7%, nearly one percentage point lower than last year's increase of 2.6%.

Replacement Costs



The Replacement Costs component has the lowest weight of any component, with its weight being less than 1/100th of the PIOC. This year Replacement Costs rose 0.9%, over five percentage points lower than the 6.1% increase reported in the 2009 Price Index.

Rent Stabilized Hotels

The Hotel Price Index includes separate indices for each of three categories of rent stabilized hotels (due to their dissimilar operating cost profiles) and a general index for all stabilized Hotels. The three categories of hotels are: 1) "traditional" hotels — a multiple dwelling which has amenities such as a front desk, maid or linen services; 2) Rooming Houses — a multiple dwelling other than a hotel with thirty or fewer sleeping rooms; and 3) single room occupancy hotels (SROs) — a multiple dwelling in which one or two persons occupy a single room residing separately and independently of other occupants.

The Price Index for all stabilized Hotels increased 3.9% this year, more than the rise of 3.5% witnessed the year before. The Price Index for Hotels was 0.5 percentage points higher overall than the increase in costs measured in the Apartment Price Index. Significant disparities between the Hotel Index and the Apartment Index were seen in the Utilities and Tax components. The decrease in Utilities for all types of Hotels was 5.2% versus 1.7% in apartment buildings. This difference was due to a double-digit increase in water and sewer costs having more weight in the Apartment Index, and declining electricity costs having more weight in the Hotel Index. In addition, Taxes increased 13.5% for Hotels versus the 10.1% increase for apartments. These disparities resulted in a Hotel Index that was higher than that for apartments.

In addition to the changes above, Fuel declined 0.8% for hotels but increased 0.5% for apartments. Similarly, Parts and Supplies decreased 0.3% for hotels but increased 1.7% in the Apartment Index. Prices and costs in all other components in the Hotel Index had similar changes in rates to the same components in the Apartment Index. See the table on this page for changes in costs and prices for all rent stabilized hotels from 2009-10.

Among the different categories of Hotels, the index for "traditional" hotels increased 4.9%, which was higher than increases for both Rooming Houses (2.2%) and SROs (3.2%). The differences between these indices are primarily due to the increased weight placed on the Tax component for "traditional" hotels. Furthermore, there were disparities among the three hotel types in Fuel and Utilities. The Hotel and Rooming House indices showed a decrease in the cost for both of these components while the SRO Index witnessed a decrease in Utilities but an increase in Fuel. (See Appendices B.4 and B.7)

Rent Stabilized Lofts

The increase in the Loft Index this year was 3.8%, 0.4 percentage points higher than the increase for apartments. This difference is explained by the fact that Fuel rose 4.1% for lofts versus 0.5% for apartments. This higher increase in the Fuel component placed more upward pressure on the Loft Index. See the table on this page and Appendix B.8 for changes in costs and prices for all rent stabilized lofts from 2009-10.

The Core PIOC

The Core PIOC, which measures long-term local trends by factoring out shifts in fuel costs, gas, and electricity rates, rose 6.0% in 2010. The rise in the 2010 Core was 2.6 percentage points higher than the Apartment Index. The Core PIOC rose faster than the overall PIOC because fuel costs rose at a lesser rate (0.5%) than the Index as a whole (3.4%) and gas costs decreased 22.4%. (See graph on next page)

The Core rose at a slower rate than projected due primarily to a reduction in insurance costs that was not reflected in last year's Core projection and Taxes rising at a slower rate than anticipated. Insurance was projected to rise 6.1% but instead declined 2.0%. Taxes rose 10.1% instead of the projected change of 15.2%. Furthermore, Contractor Services increased less than projected, rising 2.3% instead of 4.3%. All of the remaining changes in the core components in the 2010 projected Core and the 2010 actual Core show agreement within 1.3 percentage points.

PIOC Projections for 2011

Section 26-510 of the Rent Stabilization Law requires the Board to consider prevailing and projected operating and maintenance costs. Projections for components of the PIOC are performed to provide the Rent Guidelines Board with an estimate of how much costs are expected to rise in the year

Hotels

Change In Costs for Rent Stabilized Hotel Buildings, May 2009 to March 2010

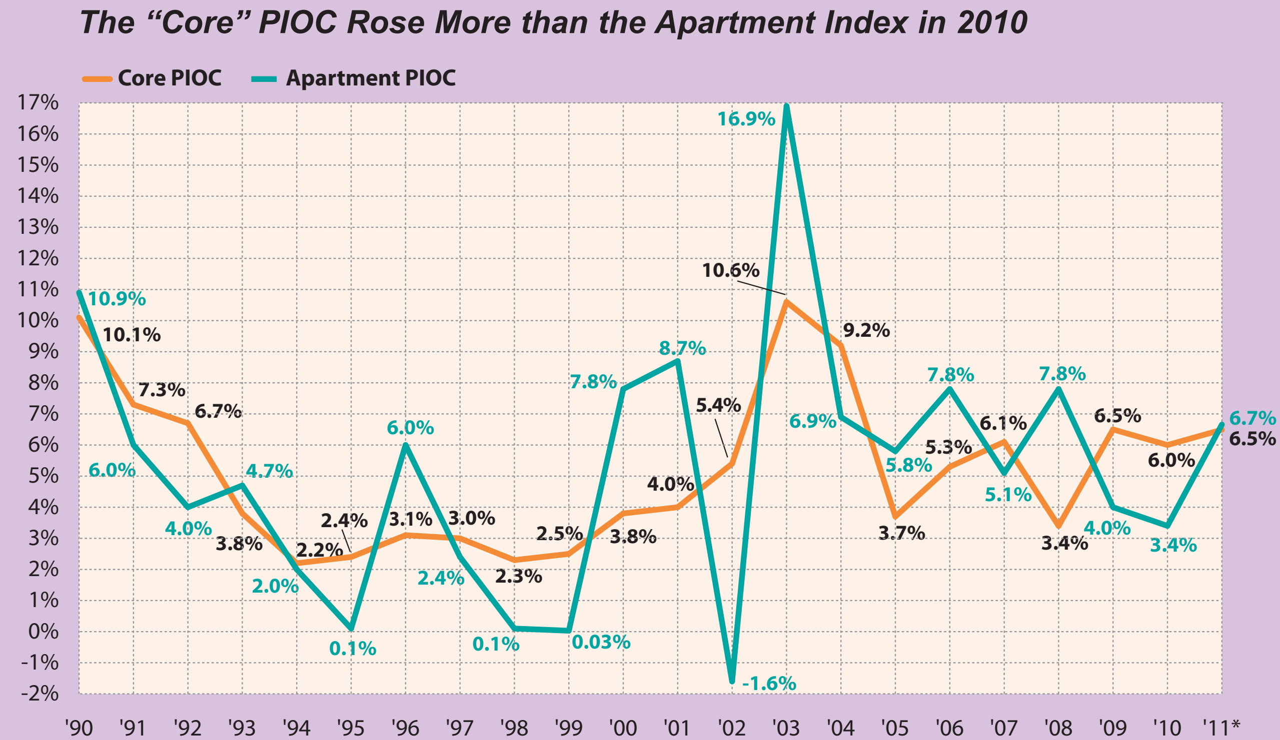
Taxes	13.5%
Labor Costs	2.5%
Fuel	-0.8%
Utilities	-5.2%
Contractor Services	3.2%
Administrative Costs	3.8%
Insurance Costs	-2.0%
Parts and Supplies	-0.3%
Replacement Costs	2.1%
All Costs	**3.9%**

Lofts

Change In Costs for Rent Stabilized Loft Buildings, May 2009 to March 2010

Taxes	10.1%
Labor Costs	2.8%
Fuel	4.1%
Utilities	0.6%
Contractor Services	2.3%
Admin Costs, Legal	2.1%
Admin Costs, Other	4.4%
Insurance Costs	-2.0%
Parts and Supplies	1.7%
Replacement Costs	0.9%
All Costs	**3.8%**

Percent Change in the Price Index of Operating Costs and the Core PIOC, 1990-2011



*Note: The percent change for 2011 is estimated.
Source: Price Indices of Operating Costs, 1990-2010, PIOC and Core PIOC projections for 2011

following the current Price Index. The PIOC Projection is used in correlation with the old 'traditional' commensurate rent adjustment formula only. Before the new commensurate formulas were devised, the projection was used to assist the Board in setting guidelines for tenants choosing two- or three-year leases.

It is important to note that changes in costs and prices after March 2010, the last month covered by this study, will be measured in next year's Price Index. The PIOC Projection is not used in the calculation of the 'Net Revenue' and 'CPI-Adjusted NOI' commensurate formulas (see the "Commensurate Rent Adjustment" section on next page), which calculate one- and two-year guidelines that will compensate owners for the most recent change in costs measured by the Price Index. The PIOC Projection should not be considered in combination with these newer formulas in establishing guidelines.

Projecting changes in the PIOC has become more challenging in recent years. Energy prices — which affect about one-fifth of the market basket of operating costs measured in the index — have become increasingly volatile. Unpredictable geo-political events, the current worldwide recession and changing weather patterns are some of the forces behind large changes in fuel-related costs (heating fuel, electricity, gas and steam) that have in turn hindered the accuracy of the PIOC projections in recent studies. The tax component, which accounts for roughly one-quarter of the entire Price Index, has also become harder to project due to changes in tax policy, such as tax rate reductions, after the period covered in this Price Index.

This year, operating costs in rent stabilized apartment buildings increased by 3.4% versus last year's projected PIOC increase of 2.2%. The components that showed the most variance between actual changes in costs versus projected changes were

Fuel, Insurance Costs and Taxes. Fuel, a historically volatile component, was projected to decline 24.5%, but actually rose 0.5%. Insurance costs, which almost always increase, declined by 2.0% in 2010 versus the expected increase of 6.1%, a difference of roughly eight percentage points. And Taxes were anticipated to rise 15.2%, but actually rose 10.1%.

Meanwhile, Contractor Services were projected to increase 4.3%, but only rose 2.3%, and Utilities were expected to increase 0.8%, but actually declined 1.7%. The remaining four 2010 projected components of the PIOC were within 1.3 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by 6.7% from 2010 to 2011. Costs are predicted to rise in each component, with Utilities increasing the greatest proportion, by 9.5%. Fuel, the most volatile PIOC component, is expected to increase 8.9%. Taxes, the component that carries the most weight in the Index, is projected to increase 8.3% due to an increase in billable assessments, levy share and the tax rate for Class Two properties. Insurance Costs that have decreased over the past two years are projected to rise 5.6%. More moderate increases are projected in Administrative Costs (4.5%), Labor Costs (4.0%) and Contractor Services (3.2%). The table on this page shows predicted changes in PIOC components for 2011. The core PIOC is projected to rise 6.5%, slightly less than the overall PIOC.

2011 Projections

Projected Change In Costs for Rent Stabilized Apartment Buildings, March 2010 to March 2011

Taxes	8.3%
Labor Costs	4.0%
Fuel	8.9%
Utilities	9.5%
Contractor Services	3.2%
Administrative Costs	4.5%
Insurance Costs	5.6%
Parts and Supplies	1.8%
Replacement Costs	1.7%
All Projected Costs	**6.7%**

Commensurate Rent Adjustment

Throughout its history, the Rent Guidelines Board has used a formula, known as the commensurate rent adjustment, to help determine annual rent guidelines for rent stabilized apartments. In essence, the "commensurate" combines various data concerning operating costs, revenues, and inflation into a single measure indicating how much rents would have to change for net operating income (NOI) in stabilized buildings to remain constant. The different types of "commensurate" adjustments described below are primarily meant to provide a foundation for discussion concerning prospective guidelines.

In its simplest form, the commensurate rent adjustment is the amount of rent change needed to maintain landlords' current dollar NOI at a constant level. In other words, the formula provides a set of one- and two-year renewal rent increases or guidelines that will compensate owners for the change in prices measured by the PIOC and keep net operating income "whole."

The first commensurate method is called the "Net Revenue" approach. While this formula takes into consideration the types of leases actually signed by tenants, it does not adjust landlords' NOI for inflation. The "Net Revenue" formula is presented in two ways, first adjusting for the mix of lease terms and second, adding an assumption for stabilized apartment turnover and the impact of revenue from vacancy increases. Under the "Net Revenue" formula, a guideline that would preserve NOI in the face of this year's 3.4% increase in the PIOC is 2.75% for a one-year lease and 5.5% for a two-year lease. Guidelines using this formula and adding assumptions for the impact of vacancy increases on revenues when apartments experience turnover are 1.25% for one-year leases and 2.25% for two-year leases.

The second commensurate method considers the mix of lease terms while adjusting NOI upward to reflect general inflation, keeping both operating and maintenance (O&M) costs and NOI constant. This is commonly called the "CPI-Adjusted NOI" formula. A guideline that would preserve NOI in the face of the 0.53% increase in the Consumer Price Index (see

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
2.75%	5.5%

"Net Revenue" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
1.25%	2.25%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
3.0%	5.75%

"CPI-Adjusted NOI" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
1.5%	2.5%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
2.4%	4.8%

Endnote 1) and the 3.4% increase in the PIOC is 3.0% for a one-year lease and 5.75% for a two-year lease. Guidelines using this formula and adding the estimated impact of vacancy increases are 1.5% for one-year leases and 2.5% for two-year leases.[4]

The "traditional" commensurate adjustment is the formula that has been in use since the inception of the Rent Guidelines Board. The "traditional" commensurate yields 2.4% for a one-year lease and 4.8% for a two-year lease, given the increase in operating costs of 3.4% found in the 2010 PIOC and the projection of a 6.7% increase next year.[5]

As a means of compensating for cost changes, this "traditional" commensurate rent adjustment has two major flaws. First, although the formula is supposed to keep landlords' current dollar income constant, the formula does not consider the mix of one- and two-year lease renewals. Since only about three-fifths of leases are renewed in any given year, with a preponderance of leases having a two-year duration, the formula does not necessarily accurately estimate the amount of income needed to compensate landlords for O&M cost changes.

A second flaw of the "traditional" commensurate formula is that it does not consider the erosion of landlords' income by inflation. By maintaining current dollar NOI at a constant level, adherence to the formula may cause profitability to decline over time. However, such degradation is not an inevitable consequence of using the "traditional" commensurate formula.[6]

All of these methods have their limitations. The "traditional" commensurate formula is artificial and does not consider the impact of lease terms or inflation on landlords' income. The "Net Revenue" formula does not attempt to adjust NOI based on changes in interest rates or deflation of landlord profits. The "CPI-Adjusted NOI" formula inflates the debt service portion of NOI, even though interest rates have been generally falling, rather than rising, over recent years. Including a consideration of the amount of income owners receive on vacancy assumes that turnover rates are constant across the City.

Finally, it is important to note that only the "traditional" commensurate formula uses the PIOC projection and that this projection is not used in conjunction with or as part of the "Net Revenue" and "CPI-Adjusted NOI" formulas. As stated previously, all three formulas attempt to compensate owners for the adjustment in their operating and maintenance costs measured each year in the PIOC. The "Net Revenue" and the "CPI-Adjusted NOI" formulas attempt to compensate owners for the adjustment in O&M costs by using only the known PIOC change in costs (3.4%). The traditional method differs from the other formulas in that it uses both the PIOC's actual change in costs as well as the projected change in costs (6.7%). If the change in projected costs, which may not be an accurate estimate of owner's costs, is added to the "Net Revenue" and "CPI-Adjusted NOI" formulas, the resulting guidelines will likely over- or under-compensate for the change in costs.

Each of these formulae may be best thought of as a starting point for deliberations. The other Rent Guidelines Board annual research reports (e.g. the *Mortgage Survey Report* and the *Income and Expense Study*) and testimony to the Board can be used to modify the various estimates depending on these other considerations.

Methodology

Owner Survey

The Owner Survey gathers information on management fees, insurance, and non-union labor from building managers and owners. Survey questionnaires, accompanied by a letter describing the purpose of the PIOC, were mailed to the owners or managing agents of stabilized buildings. If the returned questionnaire was not complete, an interviewer contacted the owner/manager and the missing information was gathered. All of the price information given by the owner/managing agent was then confirmed by calling the relevant insurance and management companies and non-union employees.

The sample frame for the Owner Survey included over 41,000 stabilized buildings registered with the New York State Division of Housing and Community Renewal (DHCR). A random sampling scheme was used to choose 5,100 addresses from this pool for the owner mailing. The number of buildings chosen in each borough was nearly proportional to the share of stabilized buildings in that borough. Three successive mailings were sent at timed intervals to the owner or managing agent of each property selected in the survey sample.

Over 16% of the questionnaires mailed out were returned to the RGB. A total of 755 returned surveys contained usable information, from which quotes of owners' annual insurance costs (605), non-union labor quotes (154) and management fees (133) were validated. The number of verified prices in 2009 and 2010 for the Owner Survey is shown in Appendix B.1.

Utility Cost Computations

The Utilities component consists of costs for electricity, gas, steam, telephone, and water and sewer. RGB staff calculates a hypothetical monthly bill for utilities based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year. Where the component represents prices to heat a building, such as Spec 406 (gas), monthly price data is adjusted to account for changes in weather. Water and sewer price changes are based on annual rate adjustments set by the NYC Water Board. Telephone prices are determined by calculating a hypothetical bill based on rates provided by Verizon.

Due to a change in the pricing of electricity, staff was unable to calculate the cost of electricity for the month of April 2010.[7] Therefore, the Utilities component price relative in the 2010 PIOC was calculated by comparing the 11-month period of May 2009 to March 2010, to the similar period of May 2008 to March 2009. Please note that in order to maintain consistency throughout the Price Index, all other components calculated from monthly prices, namely Fuel, are based on this 11-month period. Future price indices will be calculated using a 12-month period from April to March.

In addition to the change in methodology explained above, there was a change in the way the electricity items were calculated in the Utilities component in this year's Price Index. Utility costs in the Price Index have historically been based on one of two methodologies – either an average over a 12-month period from May to April, or a point-to-point comparison of April-to-April costs over two years. In previous price indices, the price changes in the electricity items were calculated on a point-to-point basis. However, due to the erratic changes in monthly electricity costs in the past several years, an 11-month average is used this year to calculate electricity items.[8] This is the same methodology historically used to calculate the gas and steam items of this component. Using the average annual change in costs is felt to be a more accurate way to calculate electricity usage over the entire time period of the Price Index year. After this year, a 12-month average from April to March will be used in future calculations of electricity costs.

Finally, to measure the change in water and sewer costs for rent stabilized buildings, staff used the Water Board FY 2010 increase of 12.9%.[9]

Fuel Oil

Fuel price information is gathered on a monthly basis via a telephone survey. A monthly survey makes it possible to keep in touch with fuel vendors and to gather the data on a consistent basis (i.e. on the same day of the month for each vendor). Vendors are called each month to minimize the likelihood of misreporting and also to reduce the reporting burden for the companies that do not care to look up a year's worth of prices. The number of fuel quotes gathered this year is similar to last year and are contained in Appendix B.1.

To calculate changes in fuel oil costs, monthly price data is weighted using a degree-day formula to account for changes in the weather. The number of Heating Degree Days (see Endnote 2) is a measure of heating requirements. As explained in the "Utility Costs Computations" section of this report, this year's Fuel component is calculated over an 11-month period from May to March.

Real Estate Tax Computations

The sample of buildings used to compute the 2010 tax price relative was drawn by providing a list of rent stabilized properties registered with DHCR to the Department of Finance. Finance "matched" this list against its records to provide data on assessed value, tax exemptions, and tax abatements for over 37,000 buildings in FY 2009 and FY 2010. This data was used to compute a tax bill for each stabilized building in each of these fiscal years. The change computed for the PIOC is simply the percentage increase in aggregate tax bills for these buildings from FY 2009 to FY 2010.

Vendor Survey

The Vendor Survey is used to gather price quotes for Contractor Services (e.g. painting), Administrative Costs (e.g. accountant and attorney fees), Parts and Supplies (e.g. mops), and Replacement Costs (e.g. refrigerators). As in prior years, the vendor database was updated by adding new vendors and by deleting those who no longer carry the products or perform the services outlined in the Vendor Survey item specifications. All vendor quotes were obtained over the telephone. The telephone interview procedures used for gathering price quotes were unchanged from prior years. A total of 676 recorded price quotes were gathered. For a description of the items priced and the number of price quotations obtained for each item, refer to Appendix B.1.

Other Items

In addition to the items previously discussed, a number of other pieces of information are needed to complete the PIOC, including labor union contract and benefit information, Social Security rates, unemployment insurance rates and Heating Degree Days. These items are used in computing some of the labor components, and the cost-weighted changes in fuel and utility prices.

Price Index Projections

The PIOC Projections are estimated by using data from federal, state and local agencies; estimates from related industry experts and trend forecasting using three-year or long-term averages. Due to the May to March period used for the 2010 PIOC, this year projections are based on the time period from April 2010 to March 2011. A May to April period was used to calculate projected costs in previous Price Indices.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2011 and the amended and restated City Council tax-fixing resolution to estimate (for Class Two properties) the change in class levy share and assessments, the tax rate and the impact of exemptions and abatements in the coming fiscal year. These estimates produce a projected tax cost for the owners of rental properties. Labor costs are projected by calculating the average wage increase of the most recent labor contracts for apartment workers union Local 32-BJ and a ten-year geometric average of all other Labor items. Fuel costs are projected by using data and information from the U.S. Energy Information Administration's (EIA) current "Short-Term Energy Outlook" report, which includes assumptions about changes in usage according to a projected return to the average temperature over the last five years. Utility costs are projected by obtaining rate projections for the coming year from the New York City Water Board and EIA projections. Natural gas rate projections are combined with assumptions about usage if the coming year's weather had the five-year average number of Heating Degree Days.[10]

The other components — Administrative Costs, Contractor Services, Insurance Costs, Parts and Supplies, and Replacement Costs — are projected by using three-year or seventeen-year geometric averages of the component price relatives.

Acknowledgements

The Rent Guidelines Board would like to acknowledge the following individuals for their assistance in preparing the Price Index of Operating Costs this year: Dr. James F. Hudson for technical assistance and methodology and report review; Shirley Alexander for supervising the data collectors for the owner and vendor surveys and Jeanette Bisamunyu and Charmaine Superville for collecting owner and vendor information. ❐

Endnotes

1. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2008 to February 2009 (236.4) compared to the average for the year from March 2009 to February 2010 (237.6) rose by 0.53%. This is the latest available CPI data and is roughly analogous to the 'PIOC year', which for the majority of components compare the most recent point-to-point figures from April to March, monthly cost-weighted figures from May to March, or the two most recent fiscal year bills.

2. Due to changes in methodology of the Price Index, the cost-weight relatives are calculated on a May to March time period. The May 2009 to March 2010 time period was 5.7% warmer than the previous May to March period. "Normal" weather refers to the typical number of Heating Degree Days measured at Central Park, New York City, over a given period. A Heating Degree Day is defined as, for one day, the number of degrees that the average temperature for that day is below 65 degrees Fahrenheit. See "Utilities Component Computations" and "Fuel Oil" in the Methodology section of this report for a detail explanation of changes to the Fuel component calculations.

3. Note that the electricity items are calculated on an annual basis. This is a change in methodology from previous Price Indices when electricity relatives were calculated on a point-to-point basis. This change was made due to the erratic changes that occur in monthly electricity costs as witnessed in the past several years. Using the average annual change in costs is a more accurate way to calculate electricity usage over the entire time period of the Price Index.

4. The following assumptions were used in the computation of the commensurates: (1) the required change in landlord revenue is 70.0% of the 2010 PIOC increase of 3.4%, or 2.4%. The 70.0% figure is the most recent ratio of average operating costs to average income in stabilized buildings; (2) for the "CPI-Adjusted NOI" commensurate, the increase in revenue due to the impact of inflation on NOI is 30.0% times the latest 12-month increase in the CPI ending February 2010 (0.53%) or 0.16%; (3) these lease terms are only illustrative—other combinations of one- and two-year guidelines could produce the adjustment in revenue; (4) assumptions regarding lease renewals and turnover were derived from the *2008 Housing and Vacancy Survey*; (5) for the commensurate formulae, including a vacancy assumption, the 11.13% median increase in vacancy leases found in the rent stabilized apartments that reported a vacancy lease in the 2008 apartment registration file from the Division of Housing and Community Renewal was used; and (6) the collectability of these commensurate adjustments are assumed.

5. Calculating the "traditional" commensurate rent adjustment requires an assumption about next year's PIOC. In this case, the 6.7% PIOC projection for 2011 is used.

6. Whether profits will actually decline depends on the level of inflation, the composition of NOI (i.e. how much is debt service and how much is profit), and changes in tax law and interest rates.

7. The RGB hypothetical electricity bill is comprised of many elements, including a "Market Supply Charge" that is published by Con Edison. This rate has historically been published for a three-month period that precedes the actual billing month, allowing us to know April rates by as early as January or February. But beginning in February of 2010, Con Edison began using daily fuel adjustment pricing for the Market Supply Charge, rather than a monthly rate predicted in advance. As a result, the Market Supply Charge cannot be calculated until the end of each month and staff was unable to calculate the cost of electricity for the month of April 2010.

8. In recent Price Indices, as a point of comparison, the annual average price change in electricity has been reported as a footnote to these reports.

9. "Public Information Regarding Water and Wastewater Rates," New York City Water Board, April 2010.

10. Source: "Short-Term Energy Outlook," March 2010. U.S. Energy Information Administration, Department of Energy.

2010 Income and Expense Study

What's New

From 2007 to 2008, despite a rate of increase in expenses outpacing a smaller increase in rent and income, net operating income (revenue remaining after operating expenses are paid) grew.

On average, in stabilized buildings, from 2007-2008:

✔ Rental income increased by **5.8%**.

✔ Total income rose by **6.2%**.

✔ Operating costs increased by **6.4%**.

✔ Net operating income (NOI) grew by **5.8%.**

Introduction

As required by the Rent Stabilization Law, the Rent Guidelines Board (RGB) has analyzed the cost of operating and maintaining rental housing in New York City since 1969, as part of the process of establishing rent adjustments for stabilized apartments. Historically, the Board's primary instrument for measuring changes in prices and costs has been the Price Index of Operating Costs (PIOC), a survey of prices and costs for various goods and services required to operate and maintain rent stabilized apartment buildings.

In 1990, the RGB acquired a new data source that enabled researchers to compare PIOC-measured prices and costs with those reported by owners: Real Property Income and Expense (RPIE) statements from rent stabilized buildings collected by the NYC Department of Finance. These Income and Expense (I&E) statements, filed annually by property owners, provide detailed information on the revenues and costs of income-producing properties. The addition of I&E statements has greatly expanded the information base used in the rent setting process. I&E statements not only describe conditions in rent stabilized housing in a given year, but also depict changes in conditions over a two-year period. Most importantly, I&E data encompasses both revenues and expenses, allowing the Board to more accurately gauge the overall economic condition of New York City's rent stabilized housing stock.

These findings examine the conditions that existed in New York's rent stabilized housing market in 2008, the year for which the most recent data is available, and also the extent by which these conditions changed from 2007.

Local Law 63

The income and expense data for stabilized properties originates from Local Law 63, enacted by the New York City Council in 1986. This statute requires owners of apartment buildings and other properties to file RPIE statements with the Department of Finance annually. While certain types of properties are exempt from filing RPIE forms (cooperatives, condominiums, buildings with fewer than 11 units or with an assessed value under $40,000), the mandate produces detailed financial records on thousands of rent stabilized buildings. Although information on individual properties is strictly confidential, the Department of Finance is allowed to release summary statistics of the data to the RGB.

Since 1990, the RGB has received data on samples of rent stabilized properties that file RPIE forms. Samples in the first two studies (data for 1988 and 1989) were limited to 500 buildings, because RPIE files were not automated. Upon computerization of I&E filings in 1992 (for cross-sectional data from 1990 and longitudinal data from 1989-90), the size of the samples used in RGB I&E studies has grown to 14,458 properties containing almost 660,000 units.

Cross-Sectional Study

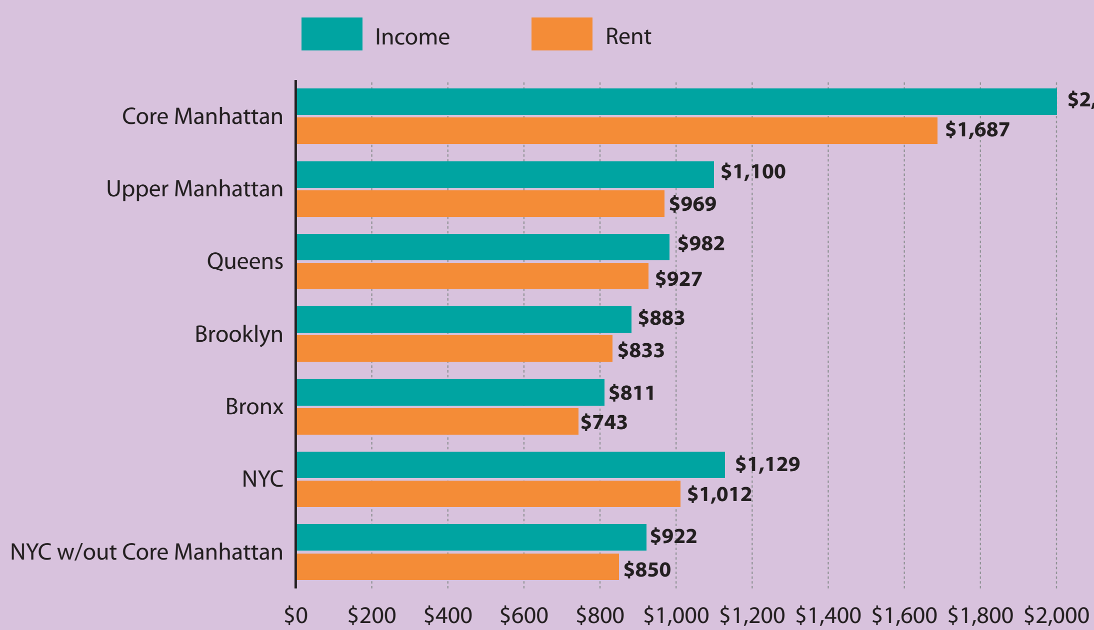
Rents and Income[1]

In 2008, rent stabilized property owners collected monthly rent averaging $1,012 per unit. Similar to prior years, units in pre-war buildings rented for less on average ($947 per month) than those in post-war buildings ($1,148 per month).[2] At the borough level, monthly rents in stabilized buildings were $1,404 in Manhattan ($1,687 in Core Manhattan and $969 in Upper Manhattan), $927 in Queens, $833 in Brooklyn and $743 in the Bronx. [Figures for Staten Island are not included in the borough analysis due to the comparatively small number of rent stabilized buildings. However, Staten Island buildings are included in Citywide figures.] Looking at median figures, the median rent Citywide was $857. At the borough level, median monthly rent was $1,142 in Manhattan, $899 in Queens, $784 in Brooklyn and $722 in the Bronx.

Many owners of stabilized buildings augment income from their apartment rents by selling services to their tenants as well as by renting commercial space. Current RPIE filings show an average monthly gross income of $1,129 per rent stabilized unit in 2008, with pre-war buildings earning $1,064 per unit and those in post-war properties earning $1,266 per unit. Gross income was highest in Core Manhattan, at $2,001 per unit per month, and lowest in the Bronx, at $811. Monthly income per unit in the City, excluding Core Manhattan, was $922. These gross income figures encompass rent from stabilized apartments as well as the sale of services (e.g. laundry, vending, parking) and commercial income. Such proceeds accounted for a 10.4% share of the total income earned by building owners in 2008, the same share as in the prior year. By borough, income earned from the sale of services was 14.7% in Manhattan (15.7% in Core Manhattan and 11.9% in Upper Manhattan); 8.3% in the Bronx; 5.7% in Brooklyn; and 5.6% in Queens. The graph on this page shows the average rent and income collected in

Average Monthly Collected Rent/Income per Dwelling Unit by Borough*

Stabilized Rent and Income Were Highest in Manhattan in 2008



* See Endnote 1
Note: Core Manhattan represents the area south of W 110th and E 96th Streets.
Upper Manhattan is the remainder of the borough.
Source: NYC Department of Finance, 2008 RPIE Filings

2008 by borough, and for the City as a whole. Median Citywide income in 2008 was $924. At the borough level, Manhattan had the highest median income, at $1,328, followed by Queens at $935, Brooklyn at $822 and the Bronx at $784. (For rent and income averages and medians by borough and building age and size, see Appendices C.3 and C.4.)

Comparing Rent Measurements

Two independent data sources, the triennial NYC Housing and Vacancy Survey (HVS) and the NYS Division of Housing and Community Renewal (DHCR) annual registration data, provide important comparative rent data to the collected rents stated in Department of Finance (RPIE) filings. A comparison of the collected RPIE rents to the HVS and DHCR rents is a good indicator of the overall rental market and reflects both how well owners are able to collect the rent roll and the prevalence of vacancies.

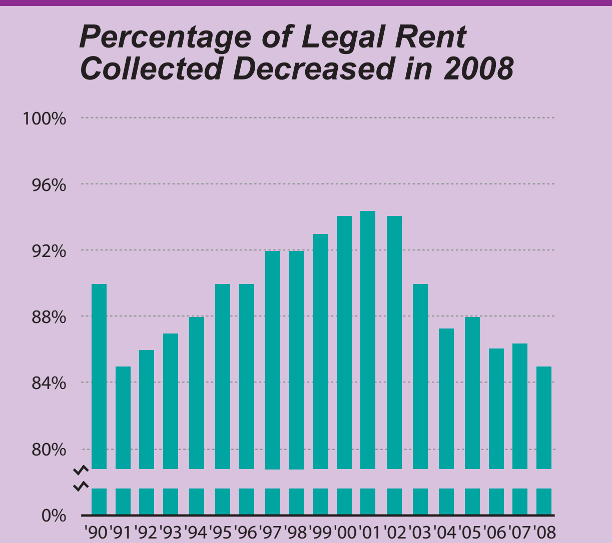
Rents included in RPIE filings are different than HVS and DHCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections that account for vacancies or non-payment of rent. HVS data consists of contract rent (the amounts stated on leases, which includes both legal and preferential rents) while DHCR data consists of legal rents registered annually with the agency. Because HVS and DHCR rent data do not include vacancy and collection losses, in most years these rents are generally higher than RPIE rent collections data. Furthermore, RPIE information reflects rents collected over a 12-month period, DHCR data reflects rents registered on April 1, 2008, and 2008 HVS figures are contract rents in effect during the first four months of 2008. Because 2008 was the most recent year in which the HVS was conducted, it is possible to compare rent data from all three sources. In sum, despite the anomalies between the three rent indicators, the difference between RPIE rents and HVS or DHCR rents is a good estimate of vacancy and collection losses incurred by building owners, and the relative change in the gap is one way of estimating the change in such losses from year to year.

The latest RPIE and HVS data (2008) shows that the RPIE mean collected rent of $1,012 for all rent regulated apartments is virtually the same as the average contract rent of $1,009 computed with HVS data.[3] In most years where the HVS and RPIE mean rent figures could be compared, the HVS figure has generally exceeded the RPIE mean. For instance, in 2005, the HVS mean for all regulated apartments was 6% greater than the RPIE mean; in 1999, 2%; in 1996, 9%; 6% in 1993; and 4% in 1991. The only year when the RPIE mean collected rent exceeded the average contract rent computed by the HVS was in 2002, by 5%.

However, rent by building age varies between the HVS and RPIE. The 2008 HVS mean contract rent in older, pre-war apartments was $968, which was 2.2% higher than the RPIE average collected rent of $947. And the HVS average rent for units built after 1946, $1,098, was 4.4% lower than the 2008 RPIE average rent of $1,148.

In comparing annual RPIE and DHCR average rents from 1991 to 2001, the gap between the two contracted steadily during that time period. In fact, from 1991-2001, the difference between RPIE and DHCR rents decreased by almost two-thirds, from a difference of 15% between the two in 1991 to a difference of 5.6% in 2001. However, since that time,

Average Monthly Citywide Collected Rents as a Share of Average Monthly DHCR Legal Registered Rents, 1990-2008



Source: DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2008 RPIE Filings

Rent Comparisons, 1990-2008

2007-08 RPIE and DHCR Rents Grew Faster Than RGB Rent Index

	RPIE Rent Growth	DHCR Rent Growth (Adjusted)§	RGB Rent Index (Adjusted)Ø
90-91	3.4%	4.1%	4.1%
91-92	3.5%	3.0%	3.7%
92-93	3.8%	3.0%	3.1%
93-94	4.5%	2.4%	2.9%
94-95	4.3%	3.1%	3.1%
95-96	4.1%	4.1%	4.5%
96-97	5.4%	4.6%	5.2%
97-98	5.5%	3.3%	3.7%
98-99	5.5%	3.7%	3.8%
99-00	6.2%	4.4%	4.2%
00-01	4.9%	5.3%	5.0%
01-02	4.0%	4.4%	4.5%
02-03	3.6%	6.9%	4.1%
03-04‡	-	1.6%	5.5%
04-05	4.6%	5.8%	4.6%
05-06	5.6%	7.2%	4.3%
06-07	6.5%	6.0%	4.2%
07-08	5.8%	5.9%	4.7%
1990 to 2008*	121.0%	115.7%	108.4%

* Not adjusted for inflation
§ See endnote 4 Ø See endnote 6
‡ See endnote 7
Sources: DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2008 RPIE Filings

the gap has grown almost every year, to 15.0% this year, as indicated by the average RPIE rent of $1,012 and DHCR's mean stabilized rent of $1,191.[4] This gap between collected and legal rent indicates that building owners are not collecting the full amount of their legal rent rolls (see graph on the previous page).

At the borough level, the gap between collected and legal rent varies widely. In 2008, Manhattan property owners collected an average rent of $1,404, 9.4% lower than DHCR's average legal rent of $1,550 for Manhattan. In the other boroughs, the differences were more significant, with collected average rents that were 16.9% lower than legal rents in Queens; 17.8% lower in Brooklyn; and 22.1% lower in the Bronx. At least part of this differential in the boroughs is due to non-paying tenants or due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.[5]

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the Board's annual rent increases on contract rents each year. As the table on this page shows, during the 1990s, average RPIE rent growth was more often higher than the renewal lease increases allowed by the RGB's guidelines, while in the early 2000s, the RGB Rent Index was instead higher than RPIE rent growth. However, in the last three years, the trend reversed itself and RPIE rents have now grown at a faster rate than the RGB Rent Index, with a 5.8% increase in RPIE rent from 2007 to 2008, compared to a 4.7% increase in the RGB Rent Index during the same period (adjusted to a calendar year).[6] There are a number of ways in which rents may be raised beyond the RGB's guidelines, including the deregulation of apartment units as well as through individual apartment and building-wide improvements. A longer view of the three indices shows that overall, RPIE collected rents have grown more than both DHCR legal rents and RGB rent guidelines from 1990 to 2008. During that period, RPIE collected rents increased 121.0%, DHCR adjusted legal rents increased 115.7%, and the adjusted RGB Rent Index increased 108.4% (these figures are not adjusted for inflation).[7]

Operating Costs

Rent stabilized apartment buildings incur several types of expenses in order to operate efficiently. RPIE filings include data on eight categories of operating and maintenance (O&M) costs: taxes; labor; utilities; fuel; insurance; maintenance; administrative; and miscellaneous costs. However, in contrast to revenues, this data does not distinguish between expenses for commercial space and those for apartments, making the calculation of "pure" residential operating and maintenance costs impossible, except in a smaller sample of residential buildings. Thus, the operating costs reported are comparatively high because they include maintenance costs for commercial space.

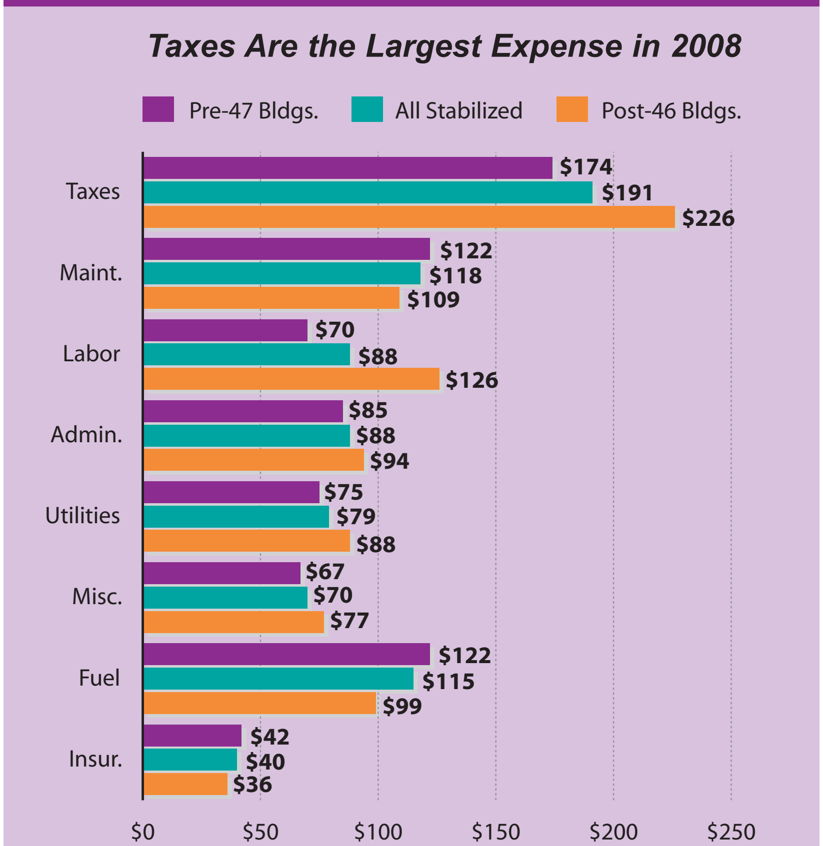
The average monthly operating cost for stabilized units was $790 in 2008. Costs were lower in units in pre-war structures ($759), and higher among post-war buildings ($855). Geographically, average costs were lowest in the Bronx ($642), Brooklyn ($654) and

Queens ($694) and highest in Manhattan ($1,064). Looking more closely at Manhattan buildings, costs for units located in Core Manhattan averaged $1,212 a month while the costs in Upper Manhattan were $837. The average monthly operating costs for stabilized building owners in New York City, excluding Core Manhattan, reduces the City average to $692. Median Citywide expenses in 2008 were $688. By borough, Manhattan had the highest median costs, at $865; followed by Queens at $643; the Bronx at $609; and Brooklyn at $603. The graph on this page details average monthly expenses by cost category and building age for 2008. As the graph shows, taxes make up the largest share of expenses. (See Appendices C.1, C.2 and C.3 for a breakdown of average costs by borough and building age. Appendix C.4 details median costs.)

In 1992, Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most "miscellaneous" costs were actually administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties discovered that O&M costs stated in RPIE filings were generally exaggerated by 8%. Costs tended to be less accurate in small (11-19 units) properties and most precise for large (100+ units) buildings. However, these results are somewhat inconclusive since several owners of large stabilized properties refused to cooperate with the Department of Finance's assessors. Adjustment of the 2008 RPIE O&M cost ($790) by the results of the 1992 audit results in an average monthly O&M cost of $725 Citywide.

Just as buildings without commercial space typically generate less revenue than stabilized properties with commercial space, operating expenses in these buildings tend to be lower on average than in buildings with a mixture of uses. This year, unaudited average O&M costs for "residential-only" buildings were $739 per month, while average audited O&M costs for units in "residential-only" buildings were $679 per month.

Average Monthly Expense per Dwelling Unit per Month

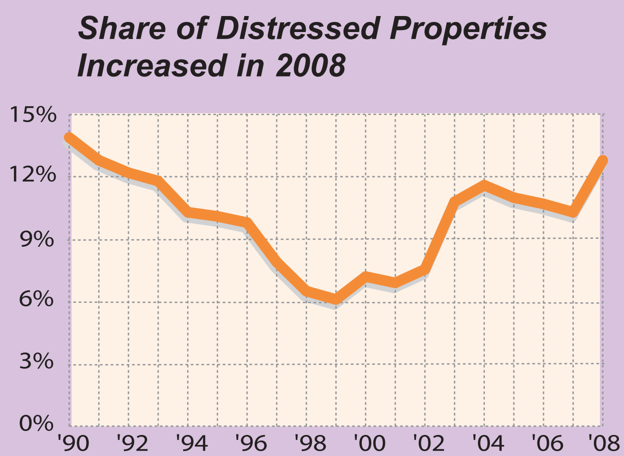


Source: NYC Department of Finance, 2008 RPIE Filings

"Distressed" Buildings

Buildings that have operating and maintenance costs greater than gross income are considered distressed. Among the properties that filed 2008 RPIE forms, 1,853 buildings, or 12.8% of the cross-sectional sample, had O&M costs in excess of gross income, up from 10.3% found the prior year. In 2008, only 120 (6.5%) of these distressed buildings were built after 1946. After 1990, when 13.9% of the sample of stabilized properties were considered distressed, the proportion of distressed buildings declined each year until 1999, reaching a low of 6.1%. Since then, the proportion generally increased until 2004, after which it went down for three years, but saw an uptick this year (see graph on next page). Most distressed

Percent of Distressed Properties in Cross-Sectional Samples 1990-2008



Source: NYC Department of Finance, 1990-2008 RPIE Filings

stabilized properties are mid-sized (20 to 99 units), pre-war and are located in Manhattan, Brooklyn and the Bronx. (See Appendix C.7 for a breakdown of distressed buildings by borough, building size and building age.)

Net Operating Income

In most stabilized buildings, revenues exceed operating costs, yielding funds that can be used for mortgage payments, improvements and/or pre-tax profit. The amount of income remaining after all operating and maintenance (O&M) expenses are paid is typically referred to as "Net Operating Income" (NOI). While financing costs, income taxes and appreciation determine the ultimate value of a property, NOI is a good indicator of its basic financial condition. Moreover, changes in NOI are easier to track on an aggregated basis than changes in profitability, which require an individualized examination of return on capital placed at risk.

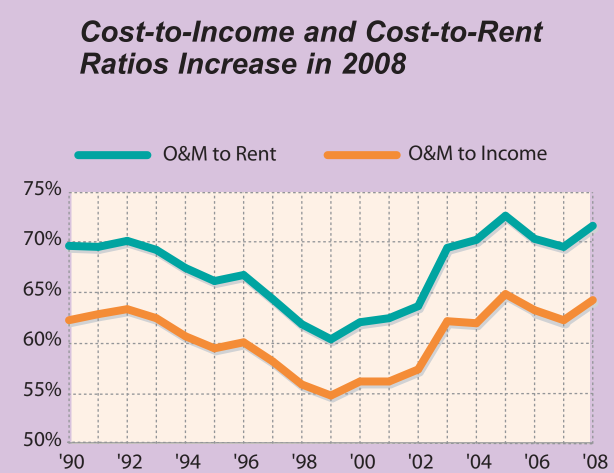
On average, apartments in rent stabilized buildings generated $339 of net income per month in 2008, with units in post-war buildings earning more ($411 per month) than those in pre-war buildings ($305 per month). Average monthly NOI tended to be greater for stabilized properties in Manhattan ($582) than for those in the other boroughs: $168 per unit per month in the Bronx, $229 in Brooklyn and $289 in Queens. There was a significant difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average $789 per unit per month in NOI, while properties in Upper Manhattan had an NOI of $264. The monthly NOI average calculated Citywide, excluding Core Manhattan, was $230. Looking at the NOI using audited expense figures, the Citywide NOI in 2008 was $403. Average monthly unaudited NOI in "residential-only" properties Citywide was $305 per unit in 2008, 10.0% lower than the mean for all stabilized buildings.

NOI reflects the revenue available after payment of operating costs, that is, the money owners have for financing their buildings, making improvements, and for pre-income tax profits. While NOI should not be the only criteria to determine the ultimate profitability of a particular property, it is a useful exercise to calculate the annual NOI for a hypothetical "average stabilized building" with 11 units or more. Multiplying the average unaudited monthly NOI of $339 per stabilized unit by the typical size of buildings in this year's cross-sectional sample (46 units) yields an estimated mean annual NOI of about $186,000 in 2008.

Operating Cost Ratios

Another way to evaluate the profitability of New York City's rent stabilized housing is by measuring the ratio

Ratios of Citywide Average Monthly Audited O&M Costs to Average Monthly Gross Income and Rent 1990-2008



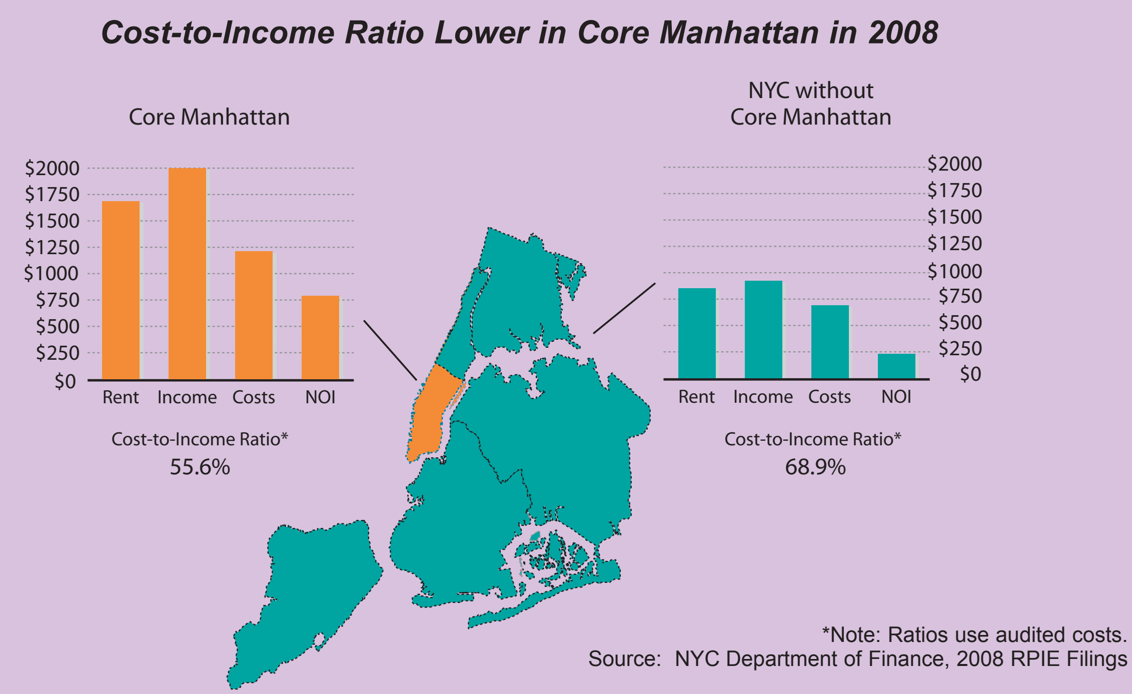
Source: NYC Dept. of Finance, 1990-2008 RPIE Filings of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent ratios to assess the overall health of the stabilized housing stock, presuming that buildings are better off by spending a lower percentage of revenue on expenses. The graph on the previous page shows how over the period from 1990-2008, the proportion of total income and rent collections spent on audited operating costs has fluctuated. The Cost-to-Income ratio in 2008 was 64.3%, an increase of two percentage points from the prior year's 62.3%. This means that on average, owners of rent stabilized properties spent about 64 cents out of every dollar of revenue on operating and maintenance costs in 2008. Looking at unaudited expenses, the cost-to-income ratio in 2008 was 70.0%. The audited median cost-to income ratio was 68.4% in 2008, an increase of 2.2 percentage points from 66.2% in 2007.

Examining the ratio of costs to rent collections, audited operating costs in 2008 were 71.7% of revenues from rent, an increase of 2.1 percentage points from the prior year. Using unaudited expenses, the cost-to-rent ratio in 2008 was 78.1%. Looking at the audited median cost-to-rent ratio, it was 73.7% in 2008, up from 70.7% in 2007.

Rents, income and costs per unit were on average highest in Core Manhattan in 2008 (see map and graphs on this page). When looking at the City with core Manhattan excluded, the average revenue and costs figures are generally lower, resulting in expense to revenue ratios that are different. The Cost-to-Income Ratio for the rest of the City was 68.9%, higher than the Cost-to-Income Ratio for stabilized buildings in Manhattan's Core (55.6%). These figures indicate that on average, owners of stabilized properties outside of Core Manhattan spend about thirteen cents more of every dollar of revenue on expenses compared to their counterparts in Core Manhattan.

In an attempt to capture the financial health of small rent stabilized buildings, staff analyzed income and expense data for buildings with fewer than 11 units. As stated earlier, owners of rent stabilized buildings with less than 11 units are not required to file RPIE forms. However, they can voluntarily file an RPIE EZ form with the Department of Finance. The information on this form is limited, containing only

Average Monthly Rent, Income, Operating Costs and Net Operating Income per Dwelling Unit and Cost-to-Income Ratios, Core Manhattan and the Rest of the City, 2008



*Note: Ratios use audited costs.
Source: NYC Department of Finance, 2008 RPIE Filings

gross income and expense for each building. Rent is not reported separately so a cost-to-rent ratio could not be calculated. A total of 525 buildings with fewer than eleven units were examined.

Citywide, the average cost to income ratio for rent stabilized buildings with fewer than 11 units was 66.1% in 2008, with an unaudited ratio of 72.0%. The median cost to income ratio was 67.2% while the unaudited median ratio was 73.2%.

Net Operating Income After Inflation

The amount of net operating income is a function of the level of expense and the level of revenue in a given year (revenues minus operating expenses equals net operating income). Adjusting NOI as well as rent, income and costs figures for inflation (in constant 2008 dollars) and comparing different base years to the latest data available is a useful way to assess the health of the stabilized housing stock and how well revenues have been meeting or exceeding expenses without erosion by inflation.

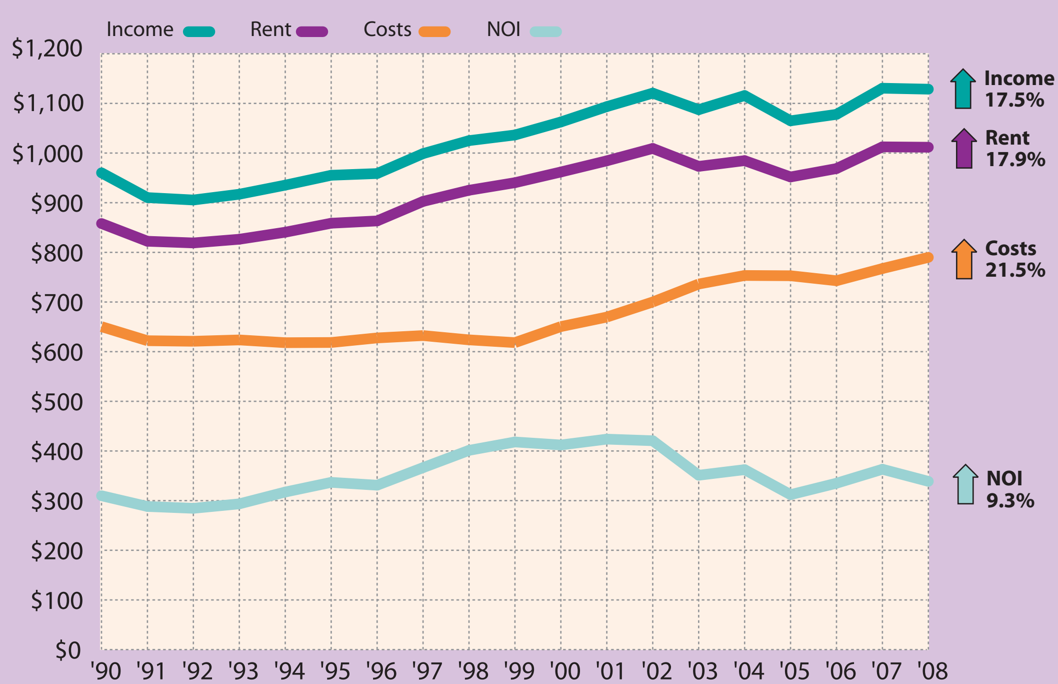
Converting income and expense figures into constant 2008 dollars helps to analyze how much NOI has grown in real terms since the RGB began collecting RPIE data from a significant number of buildings. Point-to-point comparisons of average monthly figures show that from 1990 to 2008, after adjusting for inflation, NOI (the surrogate measure for profit) has increased 9.3% (see graph on this page). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 9.3% more in 2008 than it was in 1990, after adjusting for inflation.

Another way to look at how rent, income, costs and NOI have changed absent the effect of inflation is to graph inflation-adjusted monthly figures for each of the four components measured in the I&E studies.

Citywide Income, Rents, Costs and NOI After Inflation, 1990-2008

After Inflation, NOI Up Since 1990

(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2008 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Source: RGB Income and Expense Studies, 1992-2010. NYC Department of Finance, 1990-2008 RPIE Filings

During the 1990 to 2008 period, inflation-adjusted rent increased a cumulative 17.9%, income by 17.5%, costs by 21.5% and NOI by 9.3%.

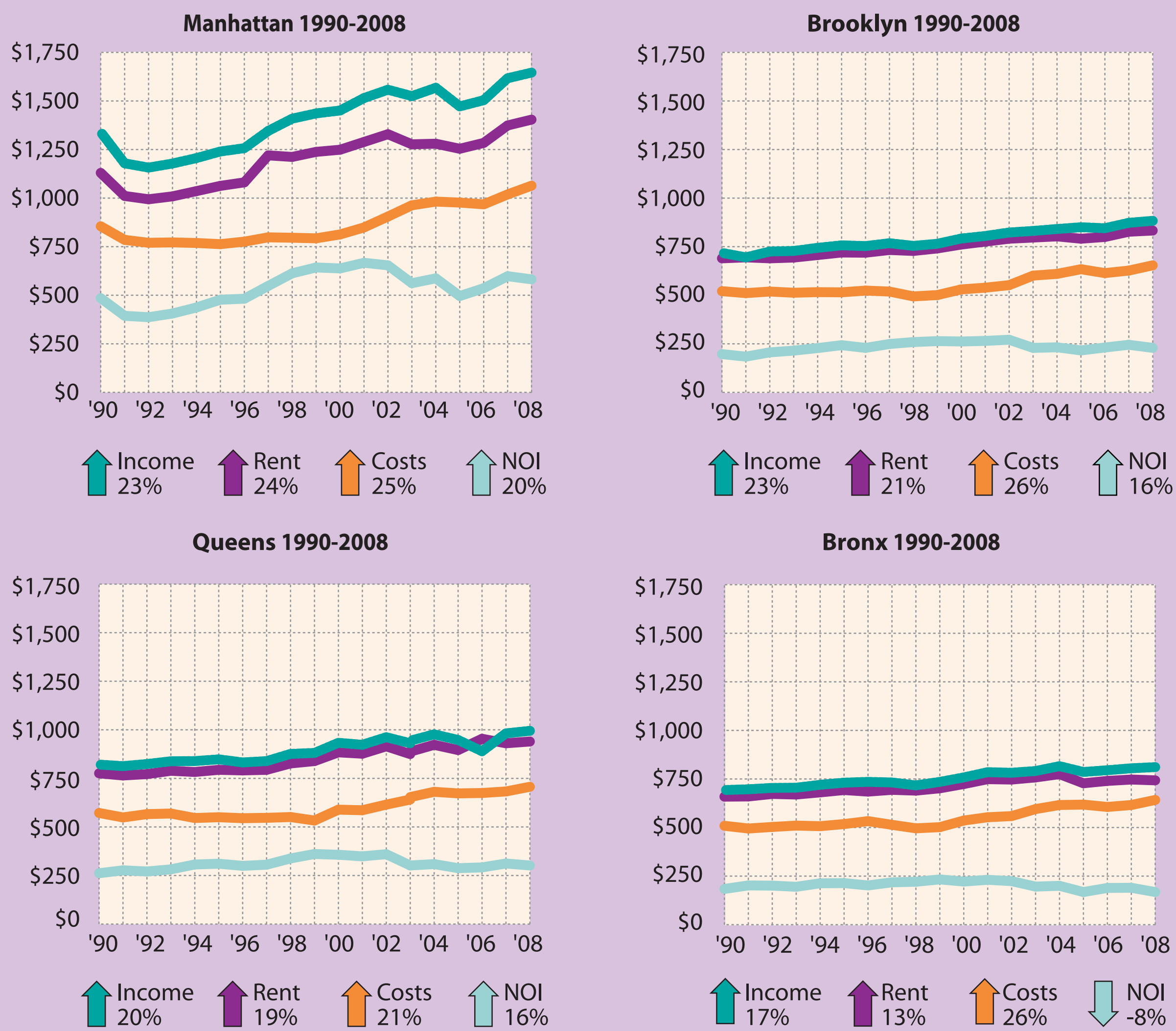
Since 1990, the ratio of NOI to income varied. From 1990-96 the ratio of NOI/income averaged 33%; while from 1997-2002, NOI's share of income averaged 39%. In the last six years, the average ratio of NOI/income was about 31%.

While the Citywide graph of inflation-adjusted revenue, expense and NOI figures is useful for demonstrating the overall stabilized rental housing market, disaggregating the same figures by borough shows how the market can differ from area to area (see graphs on this page). Looking at each of the boroughs individually, from 1990 to 2008, Manhattan, Brooklyn and Queens all saw double-digit increases in their net income, with Manhattan seeing the largest increase, 20%, followed by Brooklyn and Queens, each up

Income, Rents, Costs and NOI After Inflation per Borough, 1990-2008

Since 1990, Inflation-Adjusted NOI Rises Citywide Except in the Bronx

(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2008 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Source: RGB Income and Expense Studies, 1992-2010. NYC Department of Finance, 1990-2008 RPIE Filings

16%. Only the Bronx saw a decline in NOI during this period, down 8%.

Longitudinal Study

The longitudinal section of this study measures changes in rent, income, costs, operating cost ratios, and net operating income that occurred in the same set of over 12,000 buildings from 2007 to 2008.

Rents and Income

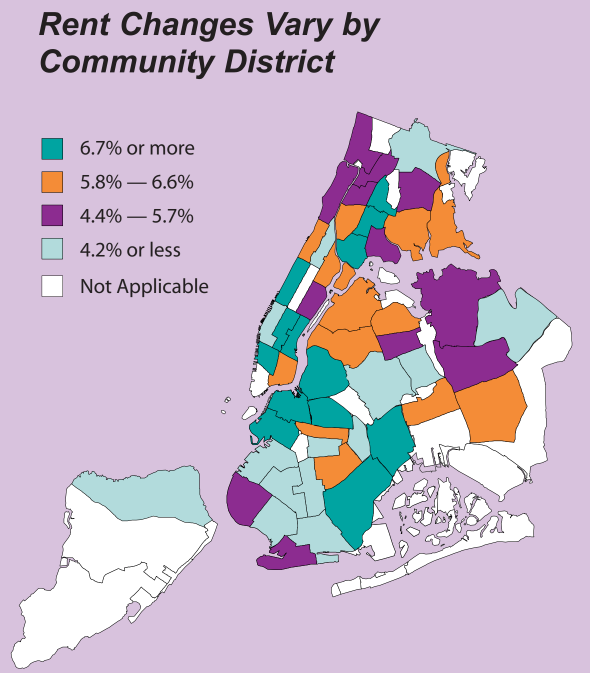
Rent collections increase for many reasons, including increases allowed under RGB renewal guidelines, vacancy allowances of at least 16-20% allowed under the Rent Regulation Reform Act of 1997 and investments in apartment and building-wide improvements.

Average rent collections in stabilized buildings rose by 5.8% in 2008. Rent collections in pre-war buildings grew at a lesser rate, up 5.5%, than post-war buildings, which increased by 6.4%. Rent collections for stabilized units increased the most among the largest buildings, up an average of 7.1% for 100+ unit buildings; 5.4% for mid-sized, 20-99 unit buildings; and 4.9% in smaller 11-19 unit buildings. Examining rent collections by borough, Manhattan saw the largest increase, up 6.8%, with Upper Manhattan seeing rent growth of 8.7%, greater than the 6.1% increase in Core Manhattan. The other boroughs also saw increased rent collections, up 5.4% in the Bronx; 5.3% in Queens; and 4.7% in Brooklyn. The growth in median rent Citywide was 4.8%.

Looking at rent collections throughout New York City, every community district but one saw increases from 2007 to 2008.[8] The greatest rent growth was found in Mott Haven/Port Morris in the Bronx, with an increase in rent of 11.2%, while five other Bronx neighborhoods saw rent increases at or above the average rent collection increase Citywide, 5.8%. About half of the neighborhoods in both Queens and Brooklyn saw rent increases of at least 5.8%; while seven of eleven neighborhoods in Manhattan saw the same.

In addition to Mott Haven/Port Morris, other neighborhoods seeing high rent growth include Bed-Stuy in Brooklyn, with rent collections up 9.4%; Midtown rents up 9.1%; Williamsburg/Greenpoint rents, which rose 8.8%; and East New York rents, which increased 8.0%. The only neighborhood to witness a decline in rent was Sunset Park in Brooklyn, down 3.8% from 2007 to 2008. See the map on this page for a breakdown of rent increases by community districts throughout New York City.

Change in Rent by Community District, 2007-2008



Source: NYC Department of Finance, 2007-08 RPIE Filings

The total income collected in rent stabilized buildings, comprising apartment rents, commercial rents and sales of services, increased by 6.2% from 2007 to 2008. Revenues rose faster in post-war buildings, up 6.5% than in pre-war buildings, up 6.1%. Manhattan saw the highest growth in income, rising 6.9%, followed by the Bronx, up 6.0%; Queens, up 5.5%; and Brooklyn, up 5.4%. The gross income of Upper Manhattan properties grew by 8.7%, while Core Manhattan income grew 6.3%. The median growth in income Citywide was 5.6%.

Operating Costs

Expenses in stabilized buildings rose 6.4%, a higher rate of increase than in both rents and total income from 2007 to 2008. Operating costs went up about the same in older, pre-war buildings, up 6.5%, and in post-war buildings, which rose 6.4%. While I&E studies have found that rent and income revenues tend to rise at rates similar to one another, operating cost increases are much more variable, often the result of volatile changes in the cost of fuel, maintenance, insurance or utilities. This year costs rose most rapidly in Manhattan, up 7.1%, while the Bronx saw costs increase 6.2%; Queens rose 6.0%; and Brooklyn was up 5.5%. The median Citywide increase in expenses was 6.2%. For a detailed breakdown of the changes in rent, income and costs by building size, age and location, see Appendices C.9 and C.10.

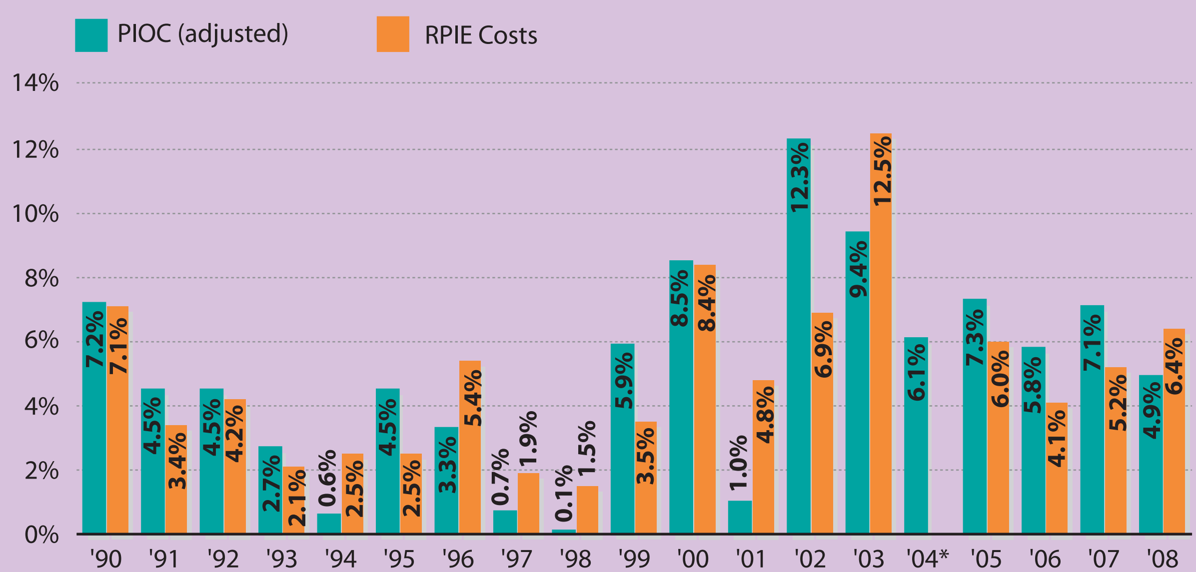
RPIE Expenses and the PIOC

Data from the RPIE and the RGB's long-running survey, the Price Index of Operating Costs (PIOC), each provide a form of independent verification for the expense findings in the other. However, comparison of I&E and PIOC data is somewhat distorted due to differences in the way each instrument defines costs and time periods. For example, there is a difference between when expenses are incurred and actually paid by owners as reported in the RPIE, versus the price quotes obtained from vendors for specific periods as surveyed in the PIOC. In addition, the PIOC primarily measures prices on an April-to-April basis, while most RPIE statements filed by landlords are based on the calendar year. (See endnote four.) To compare the two, weighted averages of each must be calculated, which may cause a loss in accuracy. Finally, the PIOC measures a hybrid of costs, cost-weighted prices and pure prices, whereas the RPIE provides unaudited owner-reported costs. The PIOC rose 4.9% from 2007 to 2008, the same period as the 6.4% increase in I&E costs, a 1.5 percentage point difference. (See graph on this page.)

From 1990-91 to 2007-08, cumulative growth in the two indices seem to confirm the accuracy of one

Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2008

In 2008, Owner-Reported RPIE Costs Increased at a Greater Rate than the PIOC



*Longitudinal RPIE data for 2003-04 is unavailable (see endnote 7).
Source: NYC Department of Finance, 1990-2008 RPIE Filings; PIOC 1990-2008

another in measuring expense changes for rent stabilized properties. Overall nominal costs measured in the PIOC grew by 123.2% and in the I&E Studies by 120.1% over this period.[9]

Operating Cost Ratios

Between 2007 and 2008, the proportion of gross income spent on audited expenses (the O&M Cost-to-Income ratio) remained almost unchanged, increasing by 0.1 percentage points. The proportion of rental income used for audited expenses (the O&M Cost-to-Rent ratio) also increased, up 0.4 percentage points. This is the third consecutive year of increase in both the O&M Cost-to-Income and O&M Cost-to-Rent ratios.

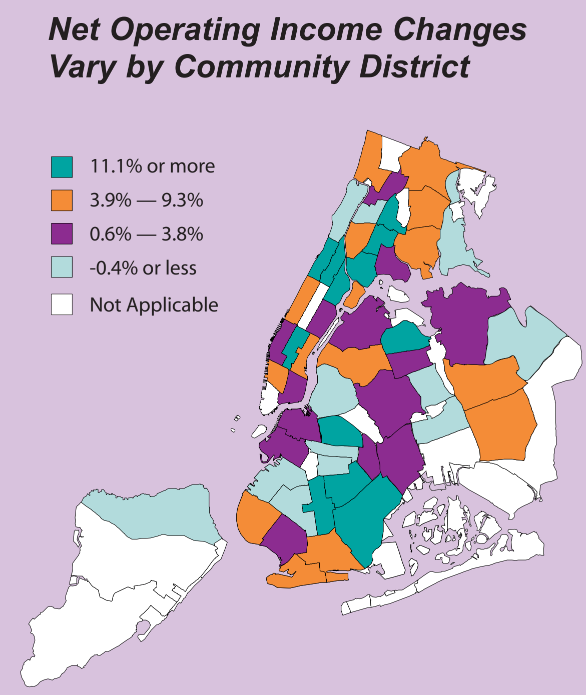
Net Operating Income

Net Operating Income (NOI) refers to the earnings that remain after operating and maintenance (O&M) expenses are paid, but before payments of income tax and debt service. Even though average operating costs grew at a greater percentage rate than net operating income, Citywide net operating income in rent stabilized buildings increased by 5.8% in 2008. This is because the actual average dollar amount of the increase in costs was less than the increase, in dollars, of average income. The growth in median NOI Citywide was 4.2%.

The change in NOI from 2007 to 2008 differed throughout the City. Manhattan, and in particular Upper Manhattan, saw the largest increase in NOI, up 6.6% boroughwide, 11.5% in Upper Manhattan and 5.5% in Core Manhattan. In the Bronx, NOI increased 5.4%; in Brooklyn, it was up 5.0%; and in Queens, NOI increased 4.3%. (See Appendices C.11 and C.12 for a breakdown of NOI by borough, building age and building size.)

At the Community District level, change in NOI varied widely, with eleven neighborhoods experiencing double-digit increases in NOI, while another eleven saw their NOI decline. Neighborhoods seeing the largest increases in NOI include Bed-Stuy in Brooklyn, up 41.1%; Mott Haven/Port Morris and Morrisania/Melrose/Claremont, both in the Bronx, up 33.1% and 23.1%, respectively; Morningside Heights/Hamilton Heights in Manhattan, up 23.0%; and East Flatbush in Brooklyn, up 19.0%. On the other hand, the largest declines in NOI occurred on the North Shore of Staten Island, down 7.4%; in Washington Heights/Inwood, falling 5.0%; Throgs Neck in the Bronx, down 3.9% and Sunset Park in Brooklyn, down 3.3%. The map on this page shows how change in NOI varied in each neighborhood. (See endnote 8.)

Change in NOI by Community District, 2007-2008



Source: NYC Department of Finance, 2007-08 RPIE Filings

Conclusion

RPIE filings, from over 14,400 rent stabilized buildings containing almost 660,000 units in the cross-sectional sample and from over 12,000 buildings containing over 570,000 units in the longitudinal sample, were analyzed, the most ever examined in the history of the *Income and Expense Study*. While the percentage rate of increase in expenses outpaced the rate of increase in income, Net Operating Income grew in 2008.

Citywide, revenue collections increased 6.2%, while costs increased by 6.4%. Because the actual average dollar increase in revenue outpaced the dollar increase in expenses from 2007 to 2008, NOI Citywide increased by 5.8%. By borough, NOI increases ranged from 4.3% in Queens to 6.6% in Manhattan. However, the proportion of distressed properties increased Citywide from 2007 to 2008, up 2.5 percentage points In addition, the cost-to-income ratio was 64.3%, up nearly two percentage points from the prior year.

Methodology

The information in this report was generated by analyzing data derived from RPIE forms filed with the NYC Department of Finance in 2009 by owners of apartment buildings with primarily eleven or more dwelling units. The data in these forms, which reflects financial conditions in stabilized buildings for the year 2008, was made available to RGB research staff in March, 2010 for analysis. Unit averages contained in this analysis were computed by the Department of Finance. The averages were then weighted by the RGB using data from the 2008 NYC Housing and Vacancy Survey to calculate means that are representative of the population of residential buildings in New York City. In addition, medians were calculated and included in this report. The medians derived from the sample were produced by the Department of Finance and are unweighted.

Changes in Average Monthly Rents, Income, Operating Costs and Net Operating Income per Dwelling Unit, 1990-2008

NOI Increases Despite Expense Growth Rate Exceeding Income Growth Rate from 2007-2008

	Avg. Rent Growth	Avg. Income Growth	Avg. Cost Growth	Avg. NOI Growth
90-91	3.4%	3.2%	3.4%	2.8%
91-92	3.5%	3.1%	4.2%	1.2%
92-93	3.8%	3.4%	2.1%	6.3%
93-94	4.5%	4.7%	2.5%	9.3%
94-95	4.3%	4.4%	2.5%	8.0%
95-96	4.1%	4.3%	5.4%	2.3%
96-97	5.4%	5.2%	1.9%	11.4%
97-98	5.5%	5.3%	1.5%	11.8%
98-99	5.5%	5.5%	3.5%	8.7%
99-00	6.2%	6.5%	8.4%	3.5%
00-01	4.9%	5.2%	4.8%	5.9%
01-02	4.0%	4.1%	6.9%	-0.1%
02-03	3.6%	4.5%	12.5%	-8.7%
03-04	-	-	-	-
04-05	4.6%	4.7%	6.0%	1.6%
05-06	5.6%	5.5%	4.1%	8.8%
06-07	6.5%	6.5%	5.2%	9.3%
07-08	**5.8%**	**6.2%**	**6.4%**	**5.8%**

Source: NYC Department of Finance, 1990-2008 RPIE Filings
Note: Longitudinal data from 2003-04 is unavailable. See endnote 9.

Two types of summarized data, cross-sectional and longitudinal, were obtained for stabilized buildings. Cross-sectional data, which provides a "snapshot" or "moment-in-time" view, comes from properties that filed 2009 RPIE or alternatively, TCIE (Tax Commission Income & Expense) forms. Data from the forms was used to compute average and median rents, operating costs, etc., that were typical of the year 2008. Longitudinal data, which provides a direct comparison of identical elements over time, encompasses properties that filed RPIE/TCIE forms for the years 2007 and 2008. The longitudinal data describes changing conditions in average rents, operating costs, etc., by comparing forms from the same buildings over two years. Thus, cross-sectional data in this report measures conditions in effect throughout 2008, while longitudinal data measures changes in conditions that occurred from 2007 to 2008.

This year, 14,458 rent stabilized apartment buildings were analyzed in the cross-sectional study and 12,092 stabilized properties were examined in the longitudinal study. The sample of buildings was created by matching a list of properties registered with the DHCR against building data found in 2008 RPIE or TCIE statements (or 2007 and 2008 statements for the longitudinal sample). A building is considered rent stabilized if it contains at least one rent stabilized unit.

Once the two samples were drawn, properties that met the following criteria were removed:

- Buildings containing fewer than 11 units. Owners of buildings with fewer than 11 apartments (without commercial units) are not required to file RPIE forms;
- Owners did not file a 2008 RPIE or TCIE form for the cross-sectional study, or a 2007 and a 2008 RPIE or TCIE form for the longitudinal study;
- No unit count could be found in RPIE/TCIE records; and
- No apartment rent or income figures were recorded on the RPIE or TCIE forms. In these cases, forms were improperly completed or the building was vacant.

Three additional methods were used to screen the samples so properties with inaccurate building information could be removed to protect the integrity of the samples:

- In early I&E studies, the Department of Finance used the total number of units from their Real Property Assessment Data (RPAD) files to classify buildings by size and location. RGB researchers found that sometimes the unit counts on RPIE forms were different than those on the RPAD file, and consequently deemed the residential counts from the RPIE form more reliable;
- Average monthly rents for each building were compared to rent intervals for each borough to improve data quality. Properties with average rents outside of the borough rent ranges were removed from all samples. Such screening for outliers is critical since such deviations may reflect data entry errors and thus could skew the analysis; and
- Buildings in which operating costs exceeded income by more than 300% as well as buildings above the 99th percentile or below the 1st percentile were excluded from both samples.

As in prior studies, after compiling both samples, the Department of Finance categorized sample data reflecting particular types of buildings throughout the five boroughs (e.g. structures with 20-99 units). ❐

Endnotes

1. RPIE rent figures include money collected for apartments, owner-occupied or related space and government subsidies. Income encompasses all revenue from rents, sales of services, such as laundry, valet and vending, and all other operating income.
2. Pre-war buildings refer to those built before 1947; post-war buildings refer to those built after 1946.
3. Mean rent stabilized contract rents for 2008 were computed using the 2008 NYC Housing and Vacancy Survey (HVS).
4. According to the NYC Department of Finance, over 90% of owners filing RPIE's report income and expense data by calendar year. In previous reports, adjusted DHCR data was calculated on a July-to-June fiscal year. Beginning with the *2008 Income and Expense Study*, adjustment of DHCR Citywide data was calculated on the January-to-December calendar year, so figures may differ from that reported in prior years.
5. Preferential rents refer to actual rent paid, which is lower than the "legal rent," or the maximum amount the owner is entitled to charge. Owners often offer preferential rents when the current market cannot bear the legal rent.
6. Since the *2008 Income and Expense Study*, adjustment of the RGB Rent Index has been calculated on a January-to-December calendar year. Also see Endnote 4.

7. Longitudinal data from 2003-04 is excluded from this study because no longitudinal sample was available for 2003-04. Therefore, the growth in RPIE collected rents is understated.

8. Nine Community Districts were excluded from this analysis because they contained too few buildings for the data to be reliable. Unlike Citywide and borough level rent and expense data, average CD rents and expenses are unweighted and do not necessarily represent the population of buildings in these Community Districts. All averages were computed by the Department of Finance.

9. Due to the unavailability of RPIE longitudinal data for 2003-04, PIOC data from the same period is excluded from this comparison.

2010 Mortgage Survey Report

What's New

- ✔ New loan volume declined 52%, while refinanced loan volume dropped 75%.
- ✔ Vacancy and collection losses increased to 4.92%, up from 4.38% the prior year.
- ✔ In 2009, 521 buildings containing rent stabilized units were sold Citywide, down 49% from the prior year.
- ✔ Average interest rates for new multifamily mortgages decreased 0.19 percentage points, or 2.9%, to 6.28%.
- ✔ Refinancing interest rates fell by 0.21 percentage points, to 6.28%.
- ✔ Average service fees for new loans rose 0.18 points, to 0.79 points.
- ✔ Average maximum loan-to-value ratios dropped to 73.6% in 2009, down from 74.3% the prior year.

Introduction

Section 26-510 (b)(iii) of the Rent Stabilization Law requires the Rent Guidelines Board to consider the "costs and availability of financing (including effective rates of interest)" in its deliberations. To assist the Board in meeting this obligation, each winter the RGB research staff surveys lending institutions that underwrite mortgages for multifamily rent stabilized properties in New York City. (See Appendix E.7 for a reproduction of the survey.) The survey provides details about New York City's multifamily lending market during the 2009 calendar year as well as the first few months of 2010.

The survey is organized into three sections: financing availability and terms for rent stabilized buildings; underwriting criteria; and additional mortgage questions, including vacancy and collection losses, operating and maintenance expenses, and portfolio performance information. In addition to the survey analysis, rent stabilized building sales data, a section added two years ago, is again included in this report.

Summary

The *2010 Mortgage Survey* illustrated a lending market with more constraints than in recent years. While lending standards didn't change significantly from the prior year, the volume of lending reached a nadir not seen since this survey began over a decade ago. Despite benchmark rates set by the Federal Reserve Board that remained unchanged throughout 2009 and at historic lows, lending volume was at a minimum among institutions in our survey.[1] Average interest rates actually charged by surveyed lenders declined, while up-front fees, called points, increased for the third consecutive year after falling to historic lows. Furthermore, vacancy and collection losses and non-performing loans increased, though foreclosures remained rare. Additionally, our analysis of rent stabilized building sales data showed an overall decline in both rent stabilized building sale prices and volume Citywide from 2008 to 2009, with little variation between the boroughs and building sizes.

This report will more fully detail these issues by beginning with a discussion of the characteristics of the survey respondents, followed by both a cross-sectional and longitudinal analysis of financing availability and terms, underwriting criteria, portfolio performance and an overview of lenders' expectations and the characteristics of typical buildings in their portfolios. Finally, the report will look at rent stabilized building sales data.

Survey Respondents

Fifteen financial institutions responded to this year's survey, one fewer than last year. The number of eligible lenders declined from last year due to at least two lenders who cited that they were not offering mortgages to multifamily properties in 2009. In prior years, participation has been adversely impacted primarily by mergers among lending institutions. The survey sample is regularly updated to include only those institutions offering loans to multiple dwelling, rent stabilized properties in New York City. This year's respondents include a variety of traditional lending institutions, such as savings and commercial banks, as well as non-traditional lenders. Among the respondents, all but one also responded to last year's survey.

Institutions holding deposits insured by the Federal Deposit Insurance Corporation (FDIC) supply details about their holdings on a quarterly basis, including their multifamily real estate holdings, which vary considerably among this year's respondents. Twelve survey respondents report their multifamily real estate holdings to the FDIC, with values ranging between $19.0 million and $7.4 billion.[2] Seven of this year's institutions reported multifamily holdings of over one billion dollars, while three institutions had holdings of less than $100 million. Compared with last year, the average multifamily real estate portfolio of our survey respondents increased by 8.7%, to $1.83 billion.

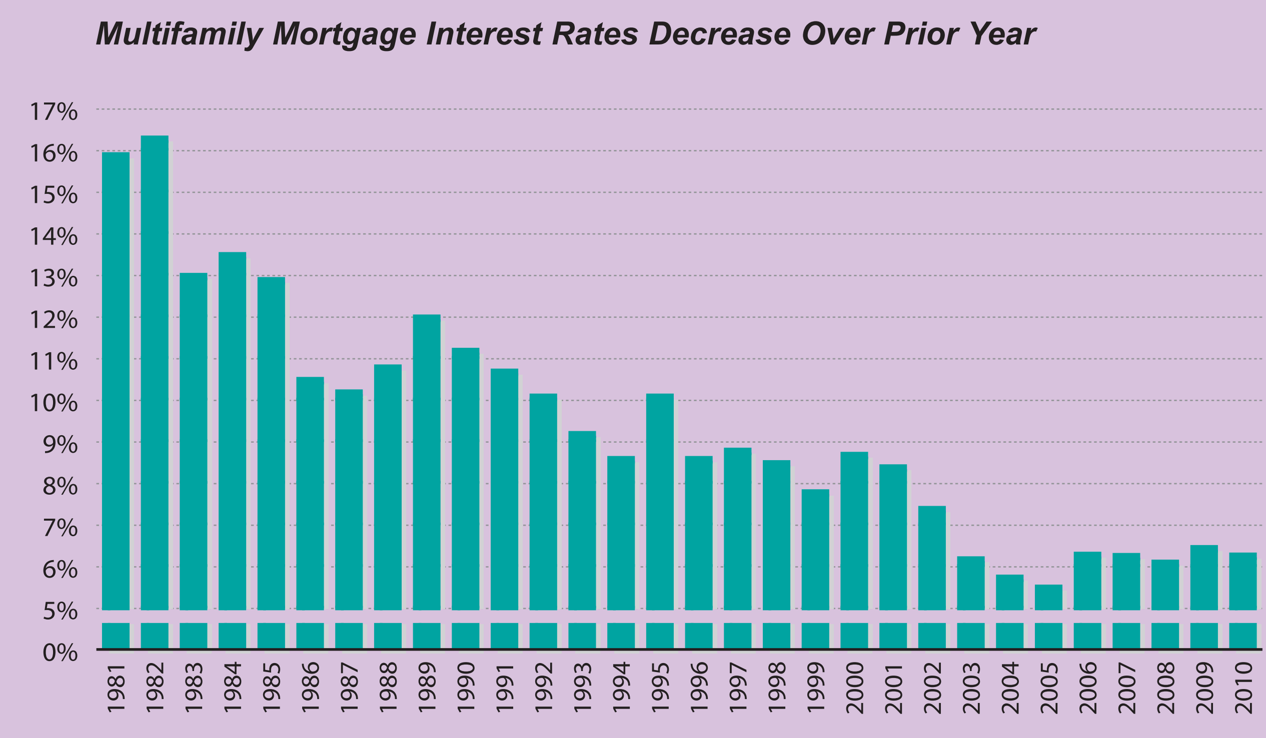
Cross-Sectional Analysis

Financing Availability and Terms

In February 2010, the average interest rate for new multifamily mortgages was 6.28%, a decrease of 0.19 percentage points, or 2.9%, from the previous February (see graph on this page and Appendix E.1).

Likewise, the average interest rate reported by lenders for the 2009 calendar year was 6.18%, just 0.10 percentage points lower than reported February 2010 rates, and a 0.08 percentage point (or 1.4%) decrease from calendar year 2008. As in prior years, a small number of large lenders provided the vast majority of the total volume of new and refinanced mortgages. Of all respondents, five provided 86.9% of the total volume of new mortgages.

Average Interest Rates for New Loans to Rent Stabilized Buildings, 1981-2010



Source: Rent Guidelines Board, annual Mortgage Surveys.

Average interest rates increased slightly during the year among the institutions surveyed, despite the fact that the federal funds and discount rates set by the Federal Reserve Board remained constant throughout 2009. Only in February 2010, too late to have any impact on interest rates charged by institutions in our survey, did the Fed raise the Discount Rate — the interest rate at which depository institutions borrow from the Federal Reserve Bank of New York — by one quarter of one percent to reach 0.75%, but left the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — unchanged, at 0.25%. The Fed maintained its low rates throughout the year as the U.S. economy attempted to grow itself out of a sizeable recession and significant job losses.[3]

Surveying institutions regarding their refinanced mortgages found that virtually all of them offered identical or similar terms to those for new loans. The average current rate charged for refinanced mortgages as of February 2010, 6.28%, was the same as the average current rate charged on new originations and 0.21 percentage points lower than last February. (See Appendix E.1) In addition, at 6.17%, average 2009 refinancing rates were 0.14 percentage points lower than the prior year's refinancing rates.

Unlike interest rates, points (up-front service fees) that were charged for new and refinanced loans increased from the prior year. Among survey respondents, they ranged from zero to two points, with four surveyed lenders charging no points on either new or refinanced loans.

The average service fee charged on new loans by lenders was 0.79 points, a 0.18 percentage point increase from last year's average of 0.62. Average fees reported in the survey have remained around or below one point since the late 1990s (see graph on next page). Average points for refinanced mortgages were almost the same (0.83) as that charged on new originations.

Lenders surveyed, for the most part, remained flexible in the loan terms they offered their borrowers. Since survey respondents typically provide a wide range of terms rather than a single number, it is a challenge to give a precise average for the range of terms offered by institutions, but they remained similar to those offered in recent years. Mortgage terms reported by respondents fell within a wide 5- to 30-year range. Five lenders offered terms as long as 30 years, while just one offered a maximum of five years. This continued mortgage term flexibility over recent years is in great contrast to terms found in the surveys of the early- to mid-1990s, when close to half of respondents offered maximum loan maturities of just five years.

New loan volume decreased in 2009, the fourth consecutive year that volume declined. An average of 22 new loans per institution were financed this past year, down 52% from 46 in 2008. With average loan volume dropping, most lenders saw declines, while only a couple saw volume increase. Among surveyed institutions, 60% saw a decline in loan volume, 27% saw no change, and only 13% realized an increase in loan volume.

Terms and Definitions

Actual LTV - the typical loan-to-value ratio of buildings in lenders' portfolios

Debt Service - the repayment of loan principal and interest

Debt Service Ratio - net operating income divided by the debt service; measures the risk associated with a loan; the higher the ratio, the less money an institution is willing to lend

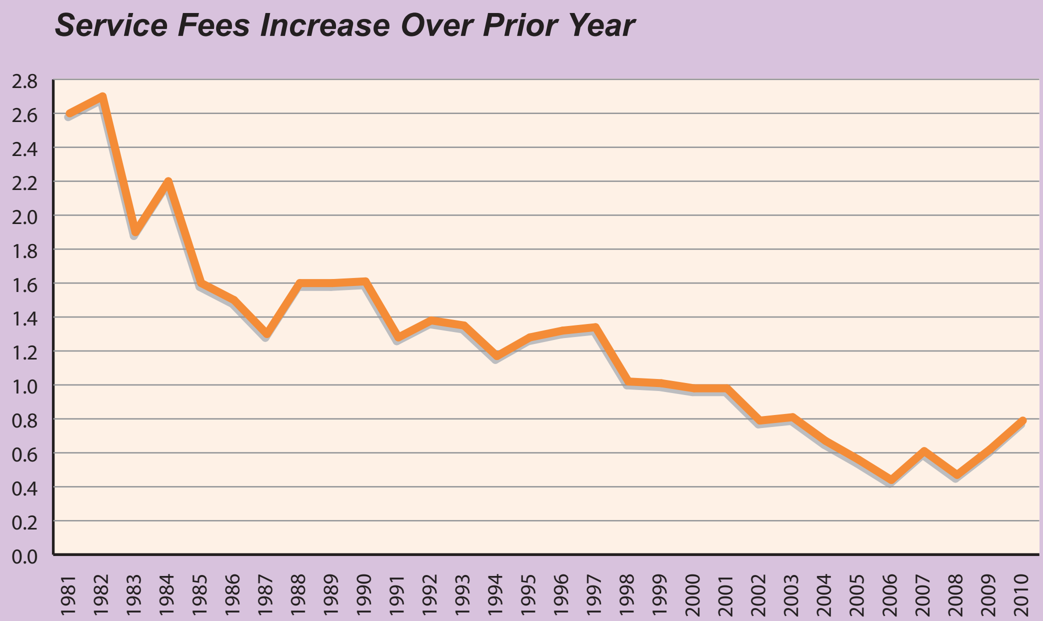
Loan-to-Value Ratio (LTV) - the dollar amount institutions are willing to lend based on a building's value; the lower the LTV, the lower the risk to the lender

Maximum LTV - the loan-to-value ratio set by the lenders as part of their underwriting criteria

Points - up-front service fees charged by lenders as a direct cost to the borrowers

Terms - the amount of time the borrower has to repay the loan; generally, the term should not exceed the remaining economic life of the building

Service Fees for New Loans to Rent Stabilized Buildings, 1981-2010



Source: Rent Guidelines Board, annual Mortgage Surveys.

Among those institutions that saw loan volume decrease, most attribute it to an decrease in loan applications, and only a couple to a decreased rate of approvals.[4]

With loan volume of just 22 new loans per institution surveyed, average loan volume declined to its lowest level since this question was first asked in 1998, and dropped significantly from the lending volume peak reported in the *2004 Mortgage Survey*, when lenders reported an average new loan volume of 160. Even more significant than new loan volume, the average number of refinanced loans decreased to just 12 per lender, a 75% decline from last year's average of 51. By comparison, refinanced lending peaked at 173 loans per surveyed institution, also in 2004.

Underwriting Criteria

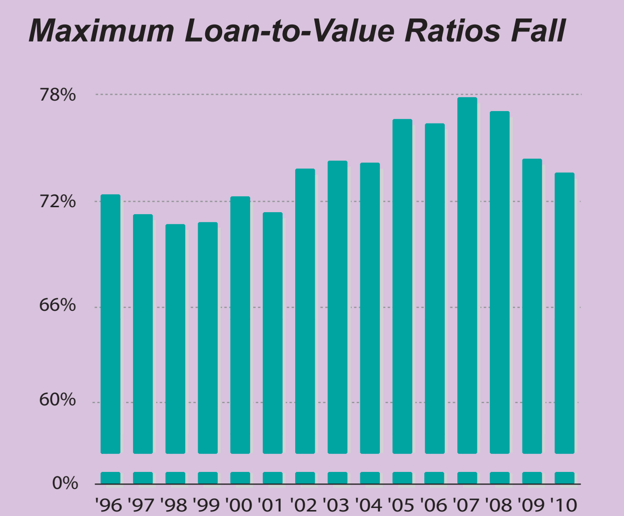
For over a decade, there has been a protracted duration of low delinquencies and defaults, meaning institutions have been willing to provide ample loan availability and less stringent underwriting policies. However, this year our survey found tougher standards in lending practices among some institutions.

For all institutions, the typical maximum LTV ratio — the maximum dollar amount respondents were willing to lend based on a building's value — ranged from 60% to 80%. The average was 73.6%, lower than 2008's 74.3% (see graph on next page).

Another important lending criterion is the debt service ratio — an investment's ability to cover mortgage payments using its net operating income (NOI). The higher the debt service coverage requirements, the less money a lender is willing to loan given constant net income. The debt service ratio (or NOI divided by the debt service) increased this year, with an average debt service requirement of 1.26, up from 1.23 in 2008. Because the average debt service ratio increased, lenders have reduced the amount of money they are willing to lend in relation to the net operating income of buildings. (See Appendix E.2)

Roughly half of all lenders reported that they changed their underwriting standards since last year. The most commonly cited change was more stringent approval criteria, reported by 54% of the lenders. The second most common change was in the maximum loan-to-value ratio (LTV), reported by 38% of the

1996-2010 Cross-Sectional Average Loan-to-Value Standards



Source: Rent Guidelines Board, annual Mortgage Surveys.

lenders; followed by a change in monitoring requirements and/or a change in lending to rent stabilized buildings (each 31%).

In addition to modifications in select underwriting criteria, lenders noted additional standards that remain similar to recent years when evaluating loan applications. The most commonly cited standard is good building maintenance, with 69% of lenders indicating its importance. Also important is the number of units in the building, with 31% citing that buildings should contain a certain number of units.

Our survey also asked lenders whether their lending standards differ for rent stabilized buildings as opposed to non-stabilized multifamily properties. Respondents were asked whether their new financing rates, refinancing rates, loan-to-value ratios, and debt service coverage requirements for rent stabilized properties were higher, lower, or the same as for other properties. Most lenders (92%) reported that standards were no different for stabilized buildings.

Non-Performing Loans & Foreclosures

A higher proportion of lenders reported that they had non-performing loans this year, and those with non-performers saw them make up a higher proportion in their portfolios. Forty-two percent of lenders reported having non-performing loans over the past year, up from 33% in 2008. Of those lenders with non-performers, they represented on average 3.8% of their lending portfolio, up from 1.7% the prior year.

However, the proportion of institutions reporting foreclosures was the same in each of the last two years, though they represent a higher percentage of their portfolios in 2009. A third of lenders reported that they had foreclosures, this year, and among those institutions, one percent of their portfolios were in foreclosure, up from one-half of one percent the prior year. Of the lenders with non-performing loans, one reported a default rate as high as 2%.

Characteristics of Rent Stabilized Buildings

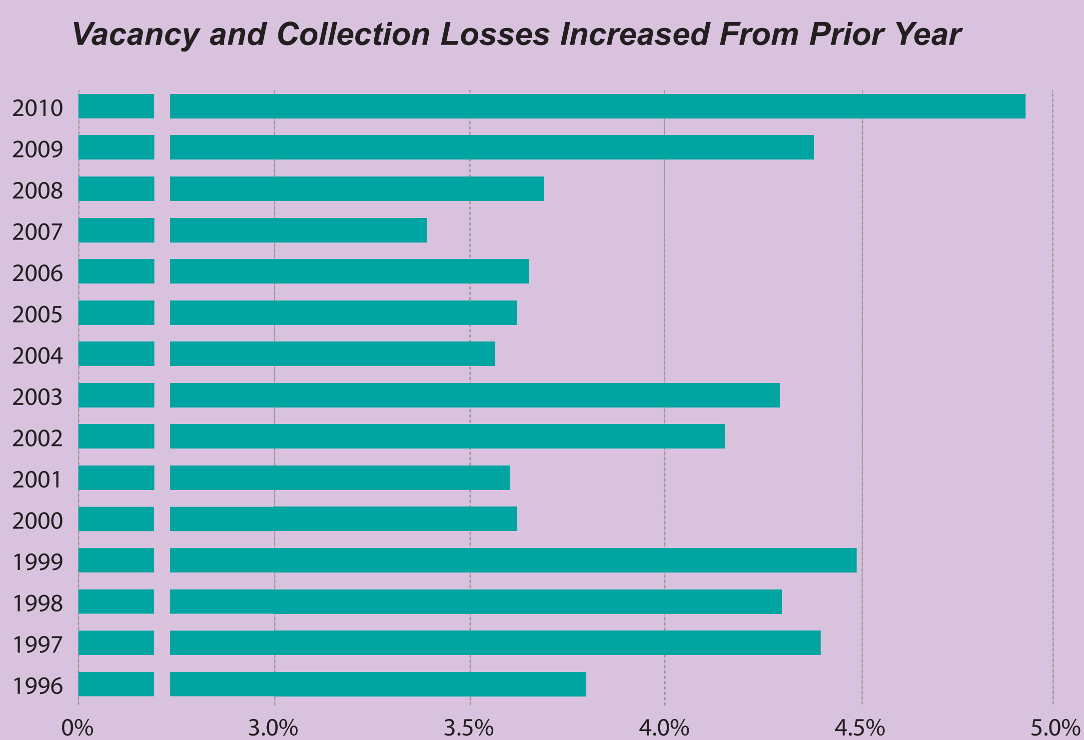
Lenders surveyed about the average size of rent stabilized buildings in their portfolios reported that the most common building size is 20-49 units, with six lenders reporting this as typical. A smaller number of lenders reported that buildings with fewer than 10 units were most common (3 lenders); followed by 50-99 units and 100+ units (2 lenders each).

Vacancy and collection (V&C) losses increased in 2009, up to 4.92%, from 4.38% in 2008, and the highest since this question began to be asked in the mid-1990s. (See graph on next page.) A higher proportion of lenders, 71%, reported losses of 5% or more this year, compared to 44% in 2008.

Average operating and maintenance (O&M) expenses increased 7.0%, to $574 per unit per month. In addition, average rents, as reported by this year's lenders, also increased, up 9.4%, to $1,088. (See Appendix E.2) Because average rents rose faster than average expenses, the average O&M cost-to-rent ratio decreased to 52.8%, down from 54.0% in the prior year.[5]

The Rent Guidelines Board, in our annual *Income and Expense (I&E) Study*, also examines the average O&M cost-to-rent ratio. However, its findings should *not* be compared to the cost-to-rent ratio reported in this Mortgage Survey because both the sources and sample sizes are very different and the data studied in

Average Vacancy and Collection Losses, 1996-2010



Source: Rent Guidelines Board, annual Mortgage Surveys.

each report are from different time periods. In the 2009 *I&E Study*, which reported on data from the year 2007, the average O&M cost-to-rent ratio was 75.8%.[6]

The survey also asks lenders whether they retain their mortgages or sell them to secondary markets. Among the lenders, 67% of respondents retain all their mortgages, 20% sell all their mortgages, and 13% sell some of their mortgages to secondary markets. These results are similar to those found in the previous year. Of those institutions that sell their mortgages, Freddie Mac and Fannie Mae are the most commonly cited purchasers.

Lenders are asked whether the rent stabilized buildings which are offered mortgage financing contain commercial space. This is helpful so as to understand the extent of income for owners from sources other than residential tenants. As in prior surveys, all the lenders in this year's survey report that buildings in their portfolio contain commercial space, though the average amount varies depending on the lender. Among the lenders, buildings containing commercial space represent, on average, 26% of their lending portfolio, up from 23% in 2008.

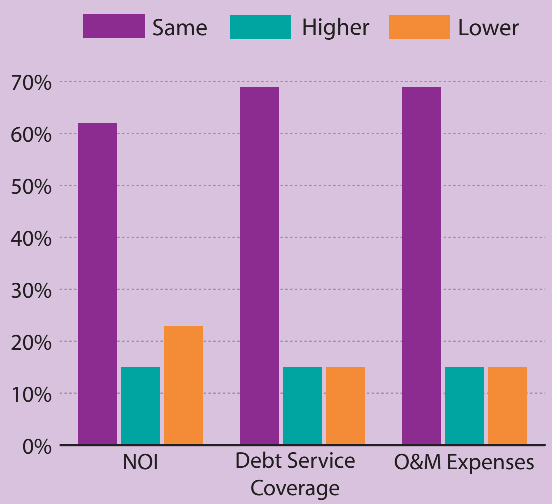
Loan Expectations

The survey asks lenders about their portfolio's performance, compared with expectations at the time of initial loan origination, with regard to net operating income (NOI), debt service coverage, and O&M expenses. This year, the majority of lenders (62%) felt that expectations had been met in all three areas for their rent stabilized portfolio, while 15% felt that some expectations were exceeded and 23% reported at least one expectation was not met in 2009.

In particular, 62% of lenders who responded to the NOI question felt that the income of their rent stabilized portfolio performed to expectations at the time of initial loan origination, while 15% felt it outperformed expectations, and 23% felt it fell short. Responses for debt service coverage and O&M expenses were slightly better than the NOI findings, with 69% finding their

2010 Performance of Rent Stabilized Loans as Compared to Expectations

Most Lenders Report that Loans Meet Expectations



Source: Rent Guidelines Board, annual Mortgage Surveys.

expectations met, 15% finding their expectations were surpassed and another 15% found results worse than expected. (See graph on this page).

Longitudinal Analysis

Information regarding rent stabilized buildings can be analyzed longitudinally to more accurately measure changes in the lending market, since a number of respondents reply to the Mortgage Survey in at least two consecutive years. This longitudinal comparison helps to ascertain whether changes highlighted in the cross-sectional analysis reflect genuine fluctuations in the lending market or simply the presence of a different group of lenders from year to year. In this section, responses from the fourteen lenders who replied to surveys both last and this year (the longitudinal group) were compared to underscore changes between the two years.

Financing Availability and Terms

This year's longitudinal analysis reveals data that is very similar to this year's cross-sectional sample.[7] This year's average interest rate among the longitudinal group for both new financing and refinancing, as of February 2010, was 6.28%, the same as the cross-sectional group, and down from last year's longitudinal group, which had an average interest rate of 6.50% for new loans and 6.52% for refinanced loans. (See Appendices E.3 and E.4)

Among the longitudinal group, average points offered by lenders changed for both new and refinanced loans. This sample reports an average of 0.79 points for new loans, up from last year's 0.67. Points on refinanced loans similarly rose, up to 0.83 this year, from 0.67 last year.

Like the cross-sectional group of lenders, the longitudinal group saw loan volume decrease, falling 52% from last year. More significantly, refinanced loan volume fell 77% from the prior year.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio fell to 73.5% among the longitudinal group, down from last year's 74.4%. The average debt service ratio was virtually unchanged, at 1.24 this year versus 1.23 last year. (See Appendix E.5) Like the cross-sectional group, vacancy and collection (V&C) losses in the longitudinal group increased, rising from 4.43% last year to 4.64% this year.

Looking at the rate of delinquencies among the longitudinal group, non-performing loans increased, up to an average of 3.82% among five lenders reporting them, while foreclosure rates also increased, to 1.0%, up from 0.5%, among the four lenders reporting foreclosures among their portfolios. For additional comparisons between the cross-sectional and longitudinal groups, see table on next page.

Selected 2010 Cross-Sectional Data Compared to 2010 Longitudinal Data

Changes in Average Interest Rates, Loan Volume, Points, Loan-to-Value Ratios, Debt Service Coverage, and Vacancy & Collection Losses

(Averages)	NF Interest Rate	RF Interest Rate	NF Loan Volume	RF Loan Volume	NF Points	RF Points	Max LTV Ratio	Debt Service Ratio	V&C Losses
2010 Cross-Sectional Data	6.28%	6.28%	22	12	.79	.83	73.6%	1.26	4.92%
2010 Longitudinal Data	6.28%	6.28%	22	12	.79	.83	73.5%	1.24	4.64%

NF= New Financing RF= Refinancing LTV=Loan-to-Value V&C=Vacancy and Collection

Source: Rent Guidelines Board, Annual Mortgage Surveys

Sales Data Analysis

Three years ago, the NYC Department of Finance began offering online public property sales information. Using this data, an analysis of rent stabilized building sales was contained in each of the last two *Mortgage Survey Reports*. This year, we follow-up with a look at the data from 2009, and compare it to 2008.

Building Sales Prices

The median, Citywide sales price was $1,350,000. The highest median sales price was in Manhattan, at $3,658,356, followed by the Bronx ($1,904,253), Brooklyn ($880,000) and Queens ($852,500). Staten Island was not included in this analysis because there were too few rent stabilized building sales.[8]

In order to compare sales prices from one year to the next, staff examined sales by building size as well as borough. This analysis attempts to control for the location and size of the building that was sold. It does not take into account the condition of the building being sold, an important factor that cannot be studied using this data set. However, this analysis does reveal the general trends in building sale prices Citywide and throughout the boroughs from 2008 to 2009.[9]

Among the smallest building size, 6-10 units, median sales prices fell throughout the City, declining 8.9%. Median prices fell the most in Brooklyn and Manhattan, down 15.0% and 14.5%, respectively. The Bronx and Queens also saw declines, falling 13.3% in the Bronx and 12.5% in Queens.

Similarly, prices fell Citywide among 11-19 unit buildings, declining 10.7%. Manhattan saw a small decrease, down 1.5%, while Brooklyn's prices actually rose by 8.1%.

Among 20-99 unit buildings, from 2008 to 2009, prices declined Citywide and in all the boroughs except Manhattan, which saw a 0.8% increase. However, Brooklyn and the Bronx saw significant declines in median prices, falling 27.5% and 28.2%, respectively.

Building Sales Volume

In 2009, 521 buildings containing rent stabilized units were sold in New York City, 49% fewer than in 2008. Sales fell the most in Queens, down 58.0%, and in Brooklyn, down 53.3%. Sales also fell in Manhattan, falling 39.9%, and in the Bronx, down 41.5%. See the table on the next page for a numerical breakdown in the change in the number of buildings sold in each borough and Citywide.

Among the smallest-sized rent stabilized buildings sold in 2009, 6-10 unit buildings, sales volume was down 43.3% Citywide. Sales fell the most in Brooklyn and the Bronx, down 51.8% and 51.6%, respectively. Queens and Manhattan also saw sizeable drops, falling 29.0% in Queens and 25.4% in Manhattan.

Likewise, sales fell universally among 11-19 unit buildings, falling by two-thirds in Queens, 60.0% in

Comparison of Building Sales in 2008 vs. 2009

Sales Volume Fell Throughout the City from the Prior Year

	2008	2009	Change
Bronx	171	100	-41.5%
Brooklyn	426	199	-53.3%
Manhattan	243	146	-39.9%
Queens	181	76	-58.0%
Citywide	**1,021**	**521**	**-49.0%**

Note: Citywide figures exclude Staten Island
Source: NYC Department of Finance

the Bronx, 42.1% in Manhattan and 40.5% in Brooklyn. Citywide, sales volume among these buildings fell 48.9% from 2008 to 2009.

Among 20-99 unit buildings, from 2008 to 2009, the decline in the number of buildings sold varied more significantly between the boroughs. Queens saw the largest fall in sales, declining 84.1%, and Brooklyn fell 60.6%. Meanwhile, the Bronx witnessed a 35.0% decline, and Manhattan sales volume fell 38.2%.

Because of the small number of buildings sold each year, we did not analyze the sales data for buildings with 100+ units, nor could we break down the 20-99 unit building grouping into 20-49 units and 50-99 unit categories, as was done in last year's report. However, buildings falling into these categories are included in the borough and Citywide totals. See Appendix E.8 for the median sales prices in each borough as well as the change from the prior year among different sized buildings.

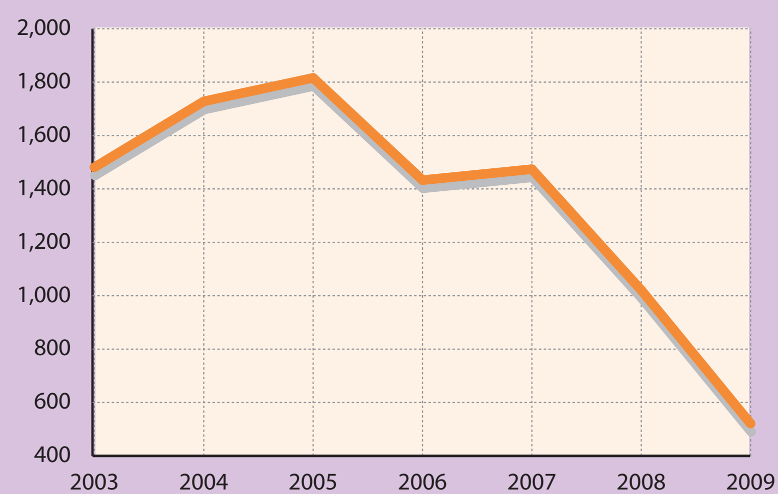
Building sales data shows that for the period from 2003 to the present, sales reached their peak in 2005, but by 2009, sales were at their lowest level in the seven year period. See the graph on this page and Appendix E.9 for annual sales volume since 2003.

Conclusion

The past year witnessed a U.S. and local economy suffering through the worst recession since the 1930s, which concurrently impacted the lending market.[10] While interest rates decreased, points charged by lenders increased, and vacancy and collection losses grew. Though borrowers continue to see highly favorable lending terms, many lenders report that demand for loans is minimal, resulting in loan volume levels never found to be so low since the Mortgage Survey began recording them over a decade ago. The sizable decrease in loan volume was reflected in the 49% decline in the number of rent stabilized buildings sold in 2009. ❐

Rent Stabilized Building Sales, 2003-2009

Building Sales Throughout the City Have Fallen



Source: NYC Dept. of Finance; Note: Figures exclude Staten Island

Endnotes

1. Federal Reserve Bank of New York website: http://www.newyorkfed.org/markets/statistics/dlyrates/fedrate.html

2. Federal Deposit Insurance Corporation (FDIC) website: http://www3.fdic.gov/sdi/main.asp

3. "Fed Aims to Hold Down Interest Rates," by Louis Uchitelle, *New York Times*. July 21, 2009.

4. While average building volume declined overall among all surveyed institutions, volume change at individual institutions varied widely.

5. The per unit, per month O&M expense and rent figures reported in the Mortgage Survey reflect a very small, non-random sample of the City's regulated stock and are included for informational purposes only. The rent and expense figures in the Rent Guidelines Board's *Income and Expense Study* are derived from a much larger sample of stabilized buildings and can be viewed as more authoritative.

6. The O&M cost-to-rent ratio from the 2010 Mortgage Survey reflects estimates by lenders of expenses and rents for rent stabilized buildings as of approximately February 2010. The average ratio is calculated from just 14 respondents. The latest available O&M cost-to-rent ratio from the *Income and Expense Study (I&E)*, in which average rent was $974 and average unaudited cost was $738, reflects rents and expenses reported by owners for calendar year 2007. Average monthly costs per unit in the Mortgage Survey this year are lower than those reported in the I&E. This may be due to differences in the two data sources: Lenders' estimated average of buildings in an institution's portfolio vs. a weighted average of a large sample of owner-reported data; the large variance between the two sample sizes; and the difference between the buildings studied in each analysis. (Buildings required to file Real Property Income and Expense (RPIE) forms must have an assessed value greater than $40,000 and eleven or more units, while the Mortgage Survey does not exclude these buildings).

7. The cross-sectional and longitudinal groups are very similar because all but one lender responded both years.

8. The data reflects sales prices for buildings that are registered with the New York State Division of Housing and Community Renewal (DHCR) as containing rent stabilized units. It excludes those buildings where the sales price was listed as less than $1000. It also excludes those buildings listed as co-ops. Furthermore, all Staten Island is excluded from all analysis due to the small number of buildings sold.

9. In the building sales prices analysis, Bronx and Queens 11-19 unit buildings; Queens 20-99 unit buildings; and all 100+ unit buildings Citywide are excluded due to the small number of buildings sold in their respective categories.

10. "Fed May Hint at How Long Rates Will Stay at Lows," by Jeannine Aversa, *Associated Press*. March 14, 2010.

Income and Affordability

2010 Income and Affordability Study

What's New

- ✔ New York City's economy shrunk by 3.0% in 2009, compared to a 1.2% increase during 2008.
- ✔ The City lost an average of 106,800 jobs in 2009, resulting in a 2.8% decrease from 2008 in total employment levels.
- ✔ The unemployment rate rose for the second consecutive year, to an average of 9.5% last year, up from 5.4% in 2008.
- ✔ Inflation averaged 0.4% in the metro area in 2009, down from 3.9% in the prior year.
- ✔ Inflation-adjusted wages decreased 3.4% in 2008, compared to a 6.3% increase in 2007.
- ✔ In 2009, an average of 35,915 homeless people were staying in City shelters, up 7.0% from 2008.
- ✔ The average number of families temporarily sheltered each night increased to 9,719 in 2009, a 9.7% increase.
- ✔ The number of non-payment filings in Housing Court increased 2.3% in 2009, to 251,871, while the number of evictions rose 7.5%.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider "relevant data from the current and projected cost of living indices" and permits consideration of other measures of housing affordability in its deliberations. To assist the Board in meeting this obligation, the RGB research staff produces an annual *Income and Affordability Study*, which reports on housing affordability and tenant income in New York City's rental market. The study highlights year-to-year changes in many of the major economic factors affecting New York City's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability. Such factors include New York City's overall economic condition — unemployment rate, wages, Consumer Price Index and Gross City Product — as well as the number of eviction proceedings and the impact of welfare reform and federal housing policies on rents and incomes.

Summary

For the third consecutive year, New York City's economy did not generally improve as compared with the preceding year, with mostly negative economic indicators, including rising unemployment rates and homeless levels, and falling Gross City Product and employment levels. Citywide unemployment rates (on an annual basis) increased to 9.5% during 2009, a 4.1 percentage point increase from the prior year. And the annual measure of Gross City Product fell for the first time since 2003, declining by 3.0%, despite growth in the fourth quarter. In addition, cash assistance levels increased for only the second time since 1995, increasing by 1.5% between 2008 and 2009. The number of food stamp recipients is also on the rise, with rates increasing 20.0% in 2009. There was also a 7.5% increase in evictions, the largest proportional rise since 2002, and both non-payment filings in Housing Court and cases "calendered" both rose 2.3%. Homeless levels also rose, increasing to an average of almost 36,000 persons a night, a 7.0% increase. In addition, employment levels fell, decreasing 2.8% in 2009, and real wages in 2008 (the latest available annual data) fell 3.4%, and fell 2.3% during the third quarter of 2009 (the latest quarterly data).

As the economy struggled, inflation remained at historically low levels in New York. Costs rose on average just 0.4% in 2009, the lowest rate of inflation since the deflation of 1955. Gross City Product also increased during the fourth quarter of 2009, rising 0.9%, the first quarterly increase in real terms since the fourth quarter of 2007. Homeless levels also decreased slightly in both November and December of 2009 as compared to the prior month. And non-payment filings in Housing Court dropped 4.5% in the fourth quarter of 2009 as compared with the same quarter in 2008.

Economic Conditions

Economic Output and Consumer Prices

After posting minimal positive gains during 2008, in 2009 the City's economic growth, on an annual level, contracted for the first time since 2003. New York City's Gross City Product (GCP), which measures the total value of goods and services produced, decreased by 3.0% during 2009 as compared to a 1.2% increase during the preceding year.[1] There was negative economic growth in each quarter since the first of 2008 until the third of 2009, reaching a low of -6.0% during the first quarter of 2009. However, the economy did grow during the fourth quarter of 2009, increasing in real terms by 0.9%. For comparison, GCP increased at an annualized rate of 3.0% during the 1990s. The analogous national number, United States Gross Domestic Product (GDP), increased annually from 1992 to 2008, but fell 2.4% in 2009. However, GDP did increase in both the third and fourth quarters of 2009, by 2.2% and 5.6% respectively.[2]

The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 0.4% during 2009 versus 3.9% during 2008 in the NYC metropolitan area, signifying a much less rapid rise in the rate of inflation. Deflation from May through October was offset by inflation rates of up to 2.3% in the other months of the year. On an annual basis, this is the lowest rate of inflation in the New York area since the deflation of 1955.[3] The U.S. CPI for urban consumers decreased at an even faster rate between 2008 and 2009, down from 3.8% in 2008 to -0.4% in 2009. This is the first incidence of annual deflation on the national level since 1955 and includes deflation on a monthly basis in each month between March and October of 2009.

Labor Statistics

For the second consecutive year, NYC's unemployment rate increased over the prior year, rising more than four percentage points to 9.5% in 2009.[4] The U.S. unemployment rate rose at slightly slower pace in 2009, climbing from 5.8% in 2008 to 9.3% in 2009.[5] (See graph on the next page and Appendix F.1) While the New York City rate was slightly higher than that of the nation as a whole, this is one of the smallest gaps between the two numbers since 1976 (the first year the RGB has access to), just a 0.2 percentage point difference, compared to a high of 4.5 percentage points in 1997. The 34-year average absolute difference between the two rates is 1.8 percentage points.

During the early months of 2010, unemployment rates in New York City and the nation exceeded 10%. The City jobless rate (not seasonally adjusted) stood at 10.5% in January 2010 and 10.2% in February, approximately five percentage points higher than the 2008 average rate of 5.4%. The analogous national figures were 10.6% in January and 10.4% in February of this year.

Manhattan, Queens, and Staten Island all had virtually identical unemployment rates in 2009, at 8.5% for Manhattan, 8.6% for Queens, and 8.4% for Staten Island. Brooklyn had the second-highest unemployment rate, at 10.1%, while the Bronx once again had the highest rate of the boroughs, 12.2%. At the local level, unemployment rates rose in every borough over the past year, by 3.5-4.9 percentage points on average. Staten Island rose 3.5 percentage points over 2008 levels, by 3.7 percentage points in Queens, by 3.8 percentage points in Manhattan, by 4.3 percentage points in Brooklyn, and 4.9 percentage points in the Bronx. Although the Bronx was the borough with the highest unemployment rate, and the greatest percentage point increase in borough-level unemployment rates, it rose by the smallest proportional level, increasing 67.1% versus 80.9% in Manhattan, the borough with the largest proportional increase. Citywide unemployment rates are now at their highest annual level since 1993.

Two other employment indices are tracked in the I&A Study. The New York City labor force participation rate — which measures the proportion of all non-institutionalized people, aged 16 and over, who are employed or actively looking for work — increased in 2009, to 60.7%, up from 59.9% in 2008.[6] This remained lower than the U.S. rate, which decreased to 65.4% from 66.0% in 2008. In addition, the New York City employment/population ratio — which measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or over — decreased for the first time since 2003, falling 1.3 percentage points to 55.3%. The U.S. employment/population ratio also decreased over the same period, down from 62.2% in 2008 to 59.3% in 2009.[7]

Correlating to rising unemployment rates, the number of people employed in New York City fell for the first time since 2003 (see graph on next page). Overall, among both City residents as well as those commuting into the City, New York City lost 106,800 jobs in 2009, a 2.8% decrease from 2008.[8]

All but two employment sectors saw decreases in employment in 2009. The largest gain was in the Educational and Health Services sector, which increased 2.1%, with a gain of 14,800 jobs. The only other sector to gain employment, Government, rose only marginally, adding 900 jobs for a 0.2% increase. Gains in local government offset declines in both State and Federal employment.

The manufacturing sector once again saw the largest proportional decline in jobs, down 13.6%, or 13,000 jobs. With the exception of 1997, manufacturing levels have decreased each year since at least 1990 (the first year for which data is available), dropping 182,600 jobs in the 19-year period, a decline of 69%. The second highest decline was in Construction, which fell 9.2% and 12,200 jobs over the year. Financial Activities, which declined by 6.5%, had the second largest net job loss of all the industries, 30,100 persons over the year. Professional and Business Services also saw a significant decline, falling 5.4% and shedding 32,800 jobs. Other industries saw somewhat smaller declines in employment including Trade, Transport, and Utilities, which declined by 4.4%; Information, down 3.6%; and Leisure and Hospitality and Other Services, both down 0.7%. See

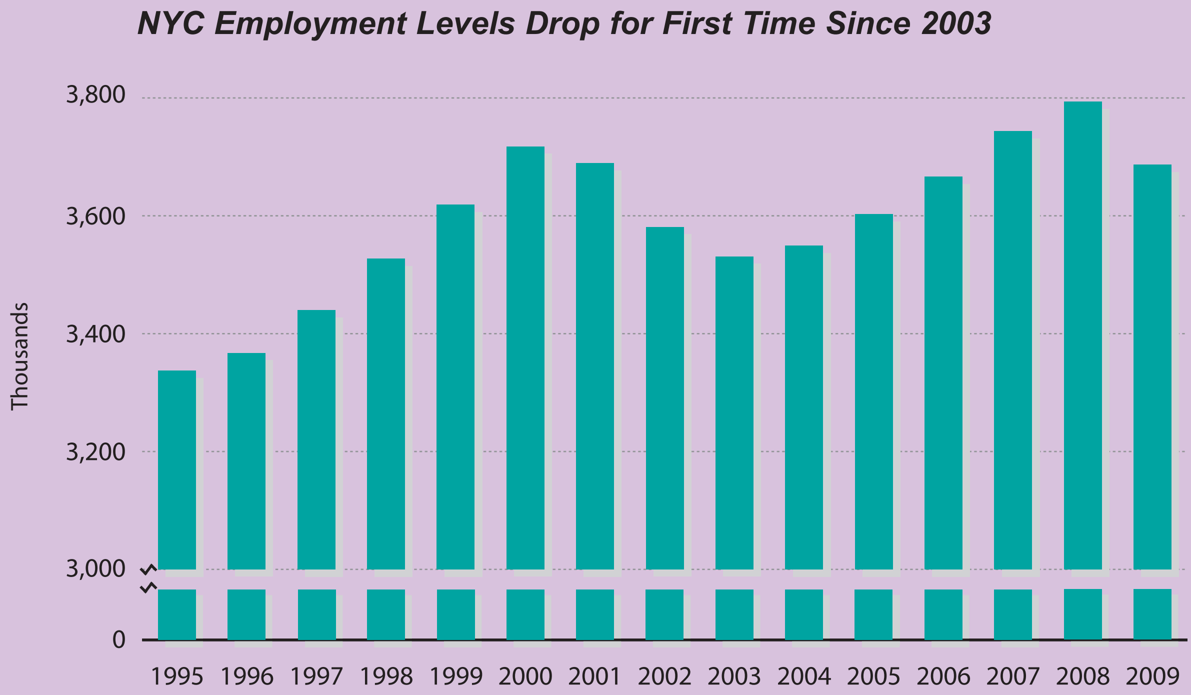
NYC and U.S. Unemployment Rates, 1995-2009

NYC and U.S. Unemployment Rates Surge in 2009

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
NYC	8.2%	8.8%	9.4%	7.9%	6.9%	5.8%	6.1%	8.0%	8.3%	7.1%	5.8%	5.0%	4.9%	5.4%	9.5%
US	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%

Source: U.S. Bureau of Labor Statistics and NYS Dept. of Labor

Average Annual Payroll Employment, NYC, 1995-2009



Source: NYS Dept. of Labor

Appendix F.2 for a complete breakdown by industry.

During the first two months of 2010, total employment levels were down as compared to 2009, with employment in January down 2.7% as compared with January 2009, and levels in February down 2.5% as compared with the same month of the prior year.

This report also examines wage data of employees working in New York City (regardless of where they live), though the analysis is limited by the fact that there is a one-year lag in the reporting of income data. The most recent numbers, which cover the 2008 calendar year, reveal a small increase in nominal wages, but a decline in "real" wages (wages adjusted for inflation). After an increase of more than 6% in 2007, real wages declined in 2008 by 3.4%, falling from $83,213 (in 2008 dollars) to $80,378.[9] Nominal wages (wages in current dollars) increased by 0.4% over the same time period, following a 9.3% increase in the prior year. Comparing the third quarter of 2008 and the third quarter of 2009 (the most recently available data), real wages Citywide declined 2.3% and nominal wages declined by 3.2%. Comparing the most recent 12-month period (the fourth quarter of 2008 through the third quarter of 2009) with the equivalent period of the preceding year, nominal wages declined by 8.3% and real wages by 9.0%. The largest decrease was seen during the first quarter of 2009, when both real and nominal wages fell 20.9%. Much of this decrease can be attributed to the FIRE (Finance, Insurance, and Real Estate) sector, which decreased in real terms by 35.3% during the first quarter of 2009. If the FIRE sector were excluded from wage calculations, real wages would have decreased by 5.7% during the first quarter of 2009 and by 2.4% over the most recent 12-month period.

Only one sector tracked in this report saw an increase in real wages between 2007 and 2008. Real wages in the Construction Industry have increased in each of the past three years, including a 1.2% increase in 2008. All other sectors declined, including the FIRE sector, which fell by the greatest proportion, 5.7%. In addition, the Trade sector fell by 4.7%; Manufacturing by 3.7%; Transportation by 3.2%; Government by 1.9%; Information by 0.6%; and Services by 0.4%.

Bankruptcy and Poverty Statistics

Staff also examined bankruptcy filings for New York City residents from 2000-2009. Between 20,000 and 30,000 persons filed for personal bankruptcy annually between 2000-2004, before surging to 42,852 in 2005 as bankruptcy laws were set to change. In the following year, with new laws in place making it more difficult to file for bankruptcy, only 7,961 persons filed for personal bankruptcy, an 81.4% decline. Since then filings have been steadily increasing. Filings increased in 2007, 2008, and 2009, rising by 35.5%, 23.5%, and 27.8% respectively, reaching 17,018 during 2009. For the United States as a whole, filings increased by 37.6% in 2007, 30.6% in 2008, and 31.5% in 2009, all more rapid increases than that seen in New York City.[10]

The Census Bureau reports that the New York City poverty rate for all individuals was 18.2% in 2008, a decline from 18.5% in 2007 and 19.2% in 2006. This compares to 13.2% for the nation as a whole.[11] Poverty rates vary widely depending on borough. Rates range from a low of 10.0% in Staten Island, to 12.1% in Queens, 16.9% in Manhattan, 21.1% in Brooklyn, and 27.6% in the Bronx, the highest rate of the boroughs. They also report that the poverty rate for persons under the age of 18 in New York City was 26.5% in 2008, while it was 15.2% for individuals 18 to 64, and 18.6% for persons 65 years and over. Furthermore, 15.3% of all families were living under the poverty line in 2008. For families with related children under the age of 18, this figure rises to 21.9%, while for married-couple families the overall poverty rate is 8.9%, and for female-headed families it is 28.8%.

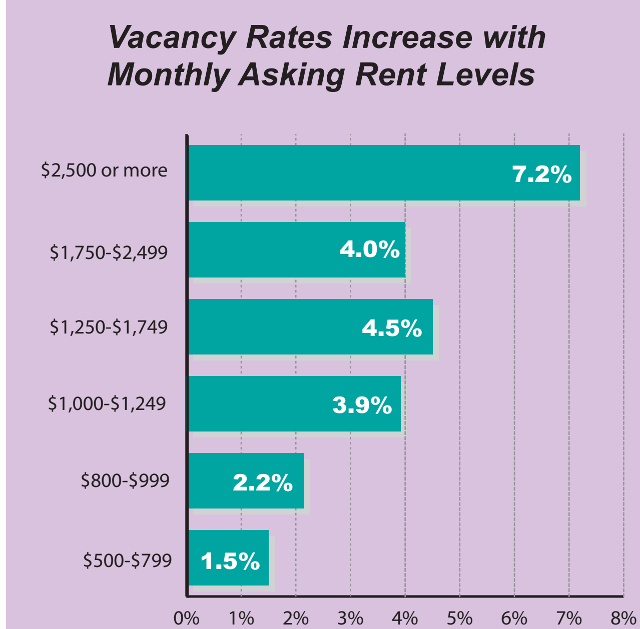
With the exception of persons 65 years old or older (which increased by 0.2 percentage points), all categories saw declines in the poverty rate during 2008. According to Community Service Society reports, overall rates were as high as 26.4% in the mid-nineties.[12] Beginning in 2011, the Census Bureau will begin releasing a "Supplemental Poverty Measure," an additional measure of poverty that will include more factors in estimating income resources.[13] Using this new methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates from 2005-2008 and found poverty rates higher than those officially released by the Census Bureau.[14] For instance, the official household poverty rate in 2005 was 19.1% and the CEO estimate was 20.6%. In 2007 and 2008 the difference was wider, with official rates of 17.7% and 17.6% respectively and CEO estimates of 22.2% and 22.0% respectively.

New York City Renters

Vacancy Rates

Results from the *2008 Housing and Vacancy Survey (HVS)* were released in July of 2009, and they reveal the continuation of a very tight New York City housing market.[15] This triennial survey of the housing and demographic characteristics of the City's residents found that the Citywide vacancy rate was 2.91% in 2008, well below the 5% threshold required for rent regulation to continue under state law. Brooklyn had the lowest vacancy rate in the City, at 2.35%, translating into the availability of just 15,600 rentals in a borough with more than 663,000 rental apartments. Queens, by contrast, had the highest vacancy rate in

Vacancy Rate by Monthly Asking Rent Level, 2008

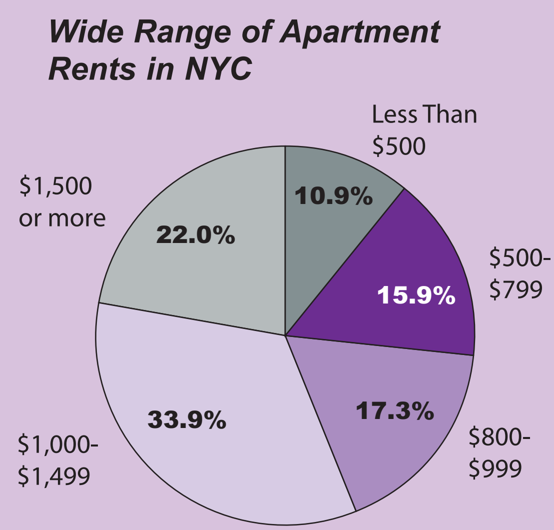


Source: 2008 NYC Housing and Vacancy Survey

2008, at 3.32%. Of the remaining boroughs, the Bronx had a vacancy rate of 3.12%, Manhattan was 2.76%, and the small sample size in Staten Island made the rate too inaccurate to report.

The HVS found vacancy rates varying significantly among different asking rents. As might be expected, apartments renting for the least had the lowest vacancy rates, while those apartments renting at the high end had substantially higher vacancy rates. Apartments with an asking rent of between $500 and $799 had a vacancy rate of just 1.50%, while those renting for at least $2,500 had a vacancy rate of 7.20%. (See graph on previous page for a further breakdown.)

Gross Rent Levels of Apartments, 2008



Source: 2008 NYC Housing and Vacancy Survey

Income

According to the *2008 HVS*, which reflects household income for 2007, the median income for rental households was $36,200, in real terms a 2.0% increase from 2004 levels.[16] Owner households earned substantially higher income, which in 2007 was $70,000, almost double the average income of renters.

The *2008 HVS* found different income levels among those living in units that were rent controlled, rent stabilized, or unregulated. Rent controlled tenants continued to have the lowest household income, earning a median of $24,000 in 2007, a decrease in real terms of 2.4%. Tenants living in stabilized buildings built prior to 1947 ("pre-war") had a median income of $35,000 (a decrease of 1.4%), and post-46 ("post-war") tenants earned a median income level of $38,000 (a decrease of 1.6%). Stabilized tenants on the whole had a median income of $36,000, an increase of 1.4%. Those tenants in unregulated apartments earned a median of $50,000 in 2007, a 7.5% increase, which helped increase all renter incomes by 2.0%.

Rent

The HVS also examines rent levels, and it revealed that in 2008, the median monthly contract rent, which excludes any additional tenant payments for fuel and utilities, for all rental units was $950 (an 11.8% nominal increase from 2005 and a 1.6% real dollar increase). Rent stabilized tenants paid, on average, less than the typical rental tenant, with a median contract rent of $925 for all rent stabilized tenants in 2008 (a 0.4% real decrease), $900 for pre-war rent stabilized apartments (a 1.0% real increase), and $985 for post-war rent stabilized apartments (a 0.4% real decrease). Rent controlled tenants paid the least in contract rent, a median of $721 (a 19.0% real increase), and tenants living in private nonregulated rentals paid $1,200 (a 9.1% real increase).[17]

Median gross rent, which includes fuel and utility payments, was $1,057 for all renters (a 14.9% nominal increase and a 4.4% real dollar increase). Rent stabilized tenants on the whole paid a median gross rent of $1,030 in 2008 (a 2.5% real increase), $1,010 for pre-war rent stabilized apartments (a 2.0% real increase), and $1,065 for post-war rent stabilized apartments (a 1.9% real increase). Rent controlled tenants also paid the least in gross rent, a median of $813 (a 14.0% real increase), and tenants living in private nonregulated rentals paid $1,350 (a 9.1% real increase).[18]

The HVS also breaks down the distribution of renter occupied housing by gross rent level. Of the 2.08 million rental units in New York City that report cash rent, 10.9% rent for less than $500, while 55.9% rent for over $1,000, including 22.0% that rent for more than $1,500. A third (33.2%) of all rental units rent for between $500-$999.[19] (See graph on previous page for a further breakdown.)

Housing Affordability Issues

Government-Sponsored Surveys

Examining affordability of rental housing, the *2008 HVS* reported that the median gross rent-to-income ratio for all renters was 31.5%, meaning that half of all households residing in rental housing pay more than 31.5% of their income in gross rent, and half pay less. Furthermore, more than a quarter (29.4%) of rental households pay more than 50% of their household income in gross rent. Generally, housing is considered affordable when a household pays no more than 30% of their income in rent.[20] Both the overall gross rent-to-income ratio and the proportion of households paying more than 50% of income towards rent increased from the *2005 HVS*, which reported proportions of 31.2% and 28.8% respectively.

Rent controlled tenants are the tenants facing the highest financial burden, with a median gross rent-to-income ratio of 35.5%, meaning a majority of rent controlled tenants are not able to afford their apartments, based on the HUD benchmark for housing affordability. Unregulated tenants had the second highest gross rent-to-income ratio, 31.9%, and rent stabilized tenants as a whole had a median of 31.7%, with pre-war tenants at 31.7% and post-war at 31.6%. For rent stabilized tenants on the whole, this ratio decreased between 2005 and 2008, by 0.2 percentage points. It also decreased 0.5 percentage points in pre-war apartments, but increased 1.1 percentage points in post-war apartments.

Despite ongoing efforts by a number of government agencies and non-profit groups, housing affordability remains an issue in a city ranked 11th highest among 71 big cities (cities with more than 250,000 persons) in the nationwide 2008 American Community Survey of monthly rental costs ($1,044), but only 21st highest in median household income ($51,116).[21] This survey also reports that between 2007 and 2008, median rents for all apartments in New York City increased a nominal 6.0%, and the median gross rent-to-income ratio increased slightly from 29.9% to 30.1%. The percentage of households paying more than 50% of their income towards rent in 2008 also increased slightly, up to 26.9% from 26.6% in 2007.

The survey also provides mean household income for cities in quintiles. In New York City the top quintile in mean household income makes 24.88 times more than the lowest quintile, the fifth highest ratio among big cities, and an increase from 23.78 in 2007. The lowest disparity is in Santa Ana, California with a ratio of 8.63. New York's ratio is only behind Atlanta, Washington D.C., New Orleans, and Boston, which have ratios of 30.55, 28.13, 26.20, and 25.38 respectively. Other major cities, such as Los Angeles (21.25), Chicago (22.06), Houston (18.43), and Philadelphia (19.16), all have smaller differentials between income levels. While the ratio between the upper and lower quintiles was 24.88 for all of New York City, it was 42.02 in Manhattan where the top quintile makes more than $400,000 more annually than the lowest quintile. These figures are somewhat higher than the prior year.

One of the many prices tracked in the federal Consumer Price Index (CPI) is the cost of rental housing. While not specific to New York City (the local CPI area extends into Northern New Jersey and Long Island), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.[22] For instance, in the 1970s overall inflation in the New York area was 92.4%, while rental costs rose at a slower pace, 77.9%. In the 1980s and 1990s costs were more comparable between the two indices, with overall inflation in the 1980s at 77.2% and rental inflation at 86.0%, and overall inflation in the 1990s at 35.5% and rental inflation at 38.4%. But in the 2000s rental costs rose at a much faster pace than overall inflation, seeing a 56.2% rise in costs versus an overall inflation rate of 33.8%. For the entire 40-year period in New York, overall prices rose 518% and the cost of rental housing rose 615%.

Comparing the rise in rental costs in the New York area to other major metropolitan areas in the 2000s, rental costs rose at a slower pace than those in Los Angeles, which saw a 65.0% increase in prices and Washington, DC, which saw a 59.5% rise. But New York costs rose at a faster pace than many other areas, such as Atlanta (17.5%), Chicago (36.1%), San

Francisco (39.6%), Philadelphia (39.8%), and Boston (44.7%). For the U.S. as a whole, rental costs over the 40-year period were comparable to overall price increases, with overall prices rising 457% and rental costs rising 485%. Notably, just as in the New York area, rental costs in the U.S. as a whole rose at a significantly faster rate than overall prices during the 2000s, rising 40.2% versus a 28.8% increase in all prices.

Other Measures of Affordability

Staff also calculated electricity costs for a typical rental household. Assuming usage of 300 kWh and supply via Con Edison, the average renter's bill would have decreased by an average of 1.3% during 2009. During the most recent 12-month period (April of 2009 through March of 2010), costs increased by 1.6% as compared to the same months of the previous year.[23]

An April 2009 report studied housing affordability nationwide for people with disabilities who receive federal Supplemental Security Income (SSI) benefits. The report examined 2008 income from SSI benefits as compared to HUD Fair Market Rents in metropolitan areas nationwide. The report found that 253 metropolitan areas had one-bedroom fair market rents that were higher than monthly SSI payments. Of these 253 areas, New York City ranked 18th highest, with rents for one-bedroom apartments exceeding SSI payments by 63%. This was an increase from the 55% that rent exceeded SSI payments by in 2006, when New York ranked 19th highest of 162 areas. Rents for studio apartments ran 51% higher than monthly SSI payments, an increase from 43% in 2006.[24]

In February of 2009, the Center for an Urban Future released "Reviving the City of Aspiration: A study of the challenges facing New York City's middle class."[25] In part, the report found that of the 10 occupations that are expected to have the largest number of annual job openings through 2014, only two have median wages higher than $28,000 a year. They also extensively analyze the ACCRA Cost of Living Index, which tracks the cost of living in more than 300 urban areas, including Manhattan and Queens. ACCRA data from the third quarter of 2008 found that Manhattan was the most expensive urban area in the United States, with a cost of living index of 224.2, more than double the national average of 100. Queens, with an index score of 156.2, was the fifth most expensive urban area. For comparison, someone moving from Houston to Manhattan who makes $50,000 a year would need to make $123,322 to achieve the same standard of living, while paying 68% more for groceries, 447% more for housing, and 54% more for utilities. Electricity bills and groceries in New York City are second highest in the nation, behind only Honolulu; and telephone rates, the fourth highest in the nation, rose 36% between 2000 and 2006. Taxes are also the highest in the nation, approximately 50% more than the average in other large cities.

The most recently available ACCRA data shows that in the third quarter of 2009, Manhattan's index was 214.7 (the highest in the nation), Brooklyn (added to the survey in 2009) had the second highest index, 177.2, and Queens, at 156.3, was fifth highest in the nation.[26]

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2009 the New York area was the least affordable housing market for the seventh straight quarter.[27] The survey found that approximately 20% of housing in the metropolitan area was affordable to households earning the median income. While the least affordable housing market, substantially more homes were affordable than in recent years, such as in the first quarter of 2006 when only 6.1% of homes were considered affordable.[28]

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2010 study has not been released at the time of publication, but using the NLIHC's methodology,[29] in order to afford a two-bedroom apartment at the City's Fair Market Rent ($1,359 a month[30]), as determined by the U.S. Department of Housing and Urban Development, a full-time worker must earn $26.13 per hour, or $54,360 a year. Alternately, those who earn minimum wage would have to work the equivalent of 144 hours a week (or two people residing together would each have to work 72 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent.

In October of 2009, the Community Service Society released "Unheard Third 2009,"[31] a survey of 1,212 New York City residents conducted in July 2009, approximately one-third of whom are considered "poor" (making less than 100% of the poverty line), another one-third who are "near-poor" (earning between 100% and 200% of the poverty line), and the last one-third who are "moderate-income and higher-income," who make more than 200% of the poverty line. The federal poverty line is currently $14,570 for a family of two, $18,310 for a family of three, and $22,050 for a family of four.[32]

When asked if they think affordable housing was "headed in the right direction," 22% of poor and near-poor households thought that it was, compared to 13% in 2005. But the current recession seems to be weighing heavily on the minds of all New Yorkers surveyed. When asked about the top problems facing the City, employment and finances were the top responses, with 46% of poor and near-poor, 48% of moderate-income, and 37% of higher-income households citing these two issues as their top worries. In fact, among the moderate- and higher-income group of respondents, 22% cited lack of jobs as the biggest problem facing New York City, up from 4% in 2007, and 11% in 2008. Affordable housing was ranked as the top issue facing the City for 9% of the poor and near-poor, 7% of the moderate-income group, and 6% of the higher income households.

When asked about top personal worries, 13% of poor and near-poor, 8% of moderate-income households, and 5% of higher-income households cited "housing." This was the third highest response among the poor and near-poor, but was one of the lowest ranked concerns for the higher-income households whose top priority (24%) was retirement security followed by health care (17%). In addition, 30% of poor respondents, and 26% of near-poor respondents, reported that they had fallen behind on their rent or mortgage in the past year (both increases from the prior year), while this figure rises to 41% for low-income working single mothers. For the moderate-income households, 22% reported falling behind on rent or mortgage, but only 6% had at least one utility turned off in the past year, compared to 26% of poor respondents and 17% of near-poor respondents.

Section 8 Housing

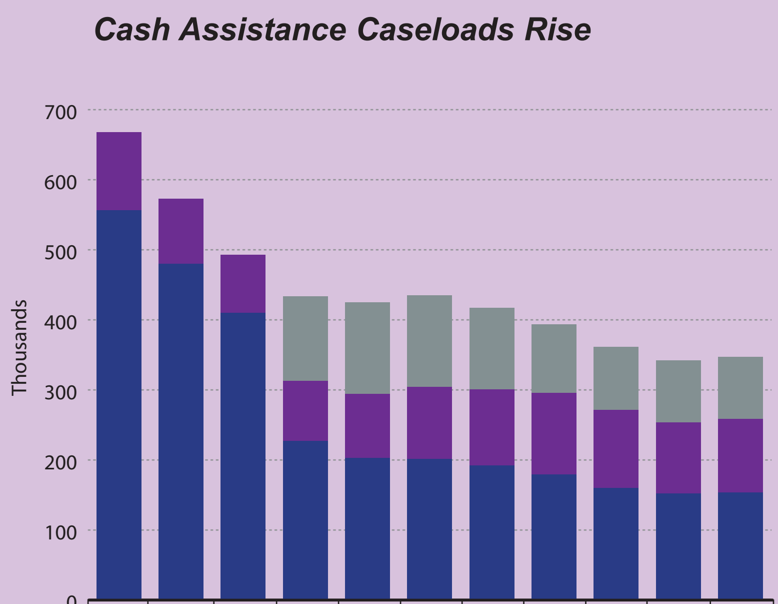
Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying 30% of their income towards rent), the New York City Housing Authority opened the waiting list for the first time since 1994.[33] These increased funding levels led to a 111% increase in the number of families placed in Section 8 housing between Fiscal Years (FY) 2006 and 2007, another 129% increase between FY 2007 and 2008, and a 4% increase between FY 2008 and 2009. The number of families on the waiting list also decreased and now stands at 126,000, 7% less than a high of 136,000 during FY 2008. There are now almost 100,000 occupied Section 8 apartments, 16,000 more units than FY 2007.[34] At the same time, the Section 8 program came under fire recently when more than 2,000 people newly authorized for Section 8 vouchers had the vouchers revoked because of budget shortfalls.[35] And NYCHA recently reported that a $45 million budget deficit may necessitate the revocation of vouchers for up to 10,500 additional Section 8 recipients or a reduction of the value of vouchers to compensate for the shortfall.[36]

Cash Assistance Programs

For the first time since 2004, the total number of cash assistance cases (formerly known as public assistance) increased, rising by 1.5% between 2008 and 2009.[37] This follows a decrease of 5.3% in the prior year (see graph on next page). Caseloads increased over the year despite decreases during the first two quarters of 2009. Caseloads decreased 1.4% during the first quarter and 0.2% during the second quarter as compared to the same quarters of the prior year, but increased 3.0% during the third quarter and 4.7% during the fourth quarter. Over the last 14 years the number of cash assistance recipients has dropped significantly, falling 69.1% since March 1995, when the City's welfare reform initiative began and 1,161,000 recipients were on the rolls.

The number of applications for cash assistance also increased during 2009, rising 3.2% over 2008 levels. For comparison, applications increased by 5.6% in 2008 and 7.6% in 2007.[38] The number of reported job placements among cash assistance recipients (excluding placements through the Workforce Investment Act) decreased in 2009, with placements

Cash Assistance Programs, 1999-2009, in Thousands



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
SNA	112.1	92.8	83.0	85.6	91.8	103.0	108.7	116.7	111.5	101.4	105.5
FAP	556.2	480.3	409.8	227.1	202.4	201.2	192.2	179.2	160.2	151.7	153.3
FAP-SNA	---	---	---	121.4	130.6	130.6	116.1	97.3	89.4	88.6	88.1

Source: Human Resources Administration website
Note: FAP-SNA refers to welfare recipients who were converted from the Family Assistance Program to the Safety Net Assistance Program

falling 6.4% since 2008 and 11.0% as compared to 2005 levels.[39]

The number of food stamp recipients also increased sharply, rising 20.0% to an average of 1.51 million in 2009. The average number of food stamp recipients has increased each month since March of 2008, rising from 1.21 million then, to 1.66 million in February of 2010, an increase of 38%.[40] The number of Medicaid enrollees also increased by 5.7% during 2009, to more than 2.7 million.[41]

Housing Policy

New York City receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). In the 2009 fiscal year, New York City received $965.2 million from federally funded programs. These programs included $263.7 million in a Community Development Block Grant (CDBG), which funds housing and community development programs; $124.7 million for the HOME Investment Partnership Program, which helps preserve existing housing stock; $7.9 million for the Emergency Shelter Grant (ESG) program, which is used for homeless programs; and $52.7 million for Housing Opportunities for Persons with AIDS (HOPWA). NYCHA also received $331.9 million for its modernization program. As compared to Fiscal Year 2008, federal funding increased by 19.4% in nominal terms and 17.5% in inflation-adjusted terms. While many federally-funded programs received less money in FY 2009, such as CDBG and HOPWA, funding through HUD Competitive Programs skyrocketed by 634%, increasing from $24.5 million to $180.1 million. Almost all of this funding was used for supportive housing and rental assistance programs for the homeless.[42]

Evictions & Homelessness

Homelessness & Emergency Assistance

Homelessness in the City, based on visits to City shelters, increased during 2009, following a small decrease in the prior year.[43] Each night, an average of 35,915 persons stayed in City shelters during 2009, up 2,361 persons, or 7.0%, from a year earlier, and up considerably from the average of 20,000-25,000 found in the 1990s. The subcategory of average number of families sheltered each day also rose in 2009. Beginning this year, the Dept. of Homeless Services now splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 85% of "families" are families with children. The number of families with children sheltered each night rose 10.1% during 2009, to reach an average of 8,395. The number of adult families sheltered each night in 2009 increased 7.8% over the year, to an average of 1,324. The number of single adults sheltered also rose during 2009, increasing 3.6%, to an average of 6,764 persons.

While more families were in shelters during 2009, many more families were also being relocated to permanent housing. Among families with children, there was a 20.8% increase in permanent housing placements, following a 27.7% increase during 2008. But among adult families, placements declined by 3.3%, and among single adults they declined 19.8%. The vast majority of placements for families (including more than 75% of families with children) are through the various Advantage programs. The program pays most or all of recipient's rents for up to two years and consists of separate programs for homeless individuals who work at least part-time; who have children and active Administration for Children's Services cases; and those receiving Social Security disability insurance.[44]

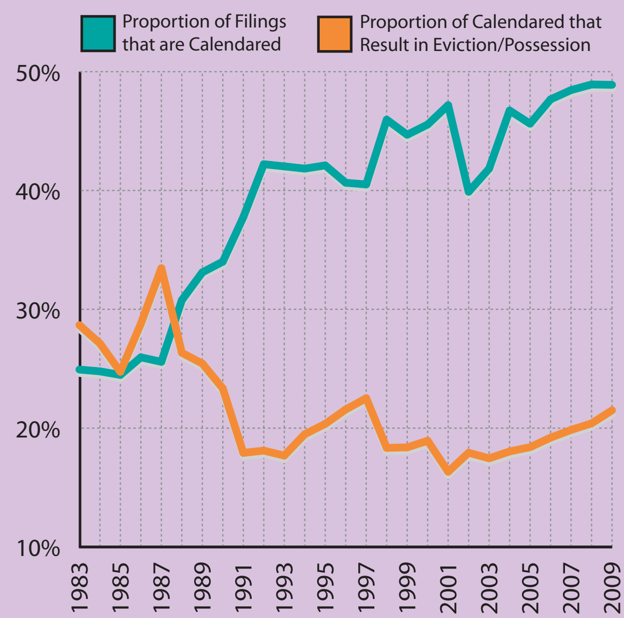
Other homeless indicators include the average amount of time spent in temporary housing, which declined among all categories in 2009, falling by 51 days for families with children (to 256 days), by 104 days for adult families (to 334 days), and by 17 days for single adults (to 254 days). And the number of families who return to homeless facilities within two years has stayed relatively constant over the past few years, with 3.5% of families with children returning within one year, and 9.9% returning within two. However, the number of new clients (that is individuals or families who have never before utilized a City shelter) increased for the second consecutive year, rising 17.0% in 2009 to a total of 20,696 over the year (or an average of 1,725 clients per month).

Housing Court

Another useful way to assess the impact of economic conditions on New York City's renters is to examine housing court data. Specifically, Housing Court actions are reviewed to determine the proportion of tenants who are unable to meet their rental payments. To measure the number of households experiencing

Housing Court Statistics, 1983-2009

Over Time, Non-Payment Cases Heard Increase, but Proportion of Evictions Decrease



Source: Civil Court of NYC and NYC Dept. of Investigations

the most severe affordability problems, evictions are also tracked.

Non-payment filings in Housing Court increased by 2.3% during 2009, rising by the highest proportion since 2002.[45] Of note, approximately a quarter of all non-payment filings are against tenants in New York City Housing Authority buildings.[46] Because the number of cases resulting in an actual court appointment ("calendared") also increased by 2.3% in 2009, the proportion of cases which resulted in an appearance remained at 48.9%, the highest proportion the RGB has ever recorded (see graph on this page and Appendix F.7). During the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2009 increased for the sixth consecutive year. It is now at its highest level in twelve years, up from 20.4% in 2008 to 21.5% in 2009. This translates to 26,449 court decisions ruled for the tenant's eviction from a total of 123,149 non-payment proceedings calendared.[47] The increase was due to a 7.5% rise in the number of evictions/possessions in 2009, despite a more moderate increase of 2.3% in the number of calendared cases. This proportion remains lower than that found in the mid- to late-1980s, when typically a quarter to a third of cases reaching court resulted in an order of eviction or possession.

Conclusion

In 2009, almost all economic indicators for New York City were negative, including increased unemployment rates, bankruptcy filings, housing court filings, cash assistance levels, and homelessness, along with falling Gross City Product and employment levels.

Looking forward, various City agencies have made predictions about the future health of the New York City economy. Among their predictions, they estimate that in 2010 the City will lose anywhere between 45,000 and 102,000 jobs and unemployment will rise to 10.2%, but GCP will increase somewhere between 1.1% and 2.2% and wages will rise by as much as 5.1%. They also see the economy brightening by 2011, with decreasing unemployment rates, job gains, and a rise in both wage growth and GCP.[47] ❐

Endnotes

1. Data from the NYC Comptroller's Office as of March, 2010. GCP figures are adjusted annually by the New York City Comptroller's Office. The figures in this report are the latest available estimate from that office, based on inflation adjusted 2005 chained dollars. Prior year's GCP was revised to a greater extent than typically in 2010. For instance, GCP growth for 2006 was revised from 3.5% to 5.9%; for 2007 was revised from 3.3% to 6.2%; and for 2008 was revised from 0.3% to 1.2%.

2. Bureau of Economic Analysis. http://www.bea.gov/national/index.htm#gdp

3. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2010.

4. NYS Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2010. Data is revised annually and may not match data reported in prior years.

5. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2010.

6. The NYC labor force participation rate and employment/population ratio are derived from unpublished data from the U.S. Bureau of Labor Statistics. Note that prior years' data are annually revised, and may differ from figures reported in prior years' *Income and Affordability Studies.*

7. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2010.

8. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2010.

9. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2010.

10. Data obtained from The Administrative Office of the U.S. Courts in March, 2010.

11. Poverty statistics were researched on the Census Bureau's Factfinder Site: http://factfinder.census.gov in March of 2010.

12. The Community Service Society of New York uses Census Data to compute their own poverty statistics. Studies average two consecutive years of census data in calculating poverty rates.

13. "Census Bureau to Develop a Supplemental Poverty Measure." March 2, 2010. U.S. Dept. of Commerce Press Release.

14. "The CEO Poverty Measure, 2005-2008." March 2010. New York City Center for Economic Opportunity.

15. The New York City Housing and Vacancy survey (HVS) is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. With the exception of a very few statistics (see Endnote 17), all HVS data reported herein is from "Selected Initial Findings of the 2008 New York City Housing and Vacancy Survey," prepared by Dr. Moon Wha Lee of HPD. HVS data was preliminarily released in the Spring of 2009, and a final, revised, dataset was released in July of 2009. Data may differ from what was reported in the *2009 Income and Affordability Study*. Selected tables and raw data can be found on the Census Bureau's HVS Site: http://www.census.gov/hhes/www/housing/nychvs/nychvs.html

16. Total household income in the HVS includes wages, salaries, and tips; self-employment income; interest dividends; pensions; and other transfers and in-kind payments.

17. Private non-regulated units consist of units which were never rent controlled or rent stabilized, units which were decontrolled, and unregulated rentals in cooperatives or condominium buildings.

18. Gross rent statistics were not reported in "Selected Initial Findings of the 2008 New York City Housing and Vacancy Survey." (see Endnote 14). Data was run in March of 2010 from *2008 HVS* raw data, and was converted into "current" dollar figures using the same methodology as in the "Selected Initial Findings" report.

19. There were 35,402 units which did not report a cash rent.

20. The HUD benchmark for housing affordability is a 30% rent-to-income ratio. Source: Basic Laws on Housing and Community Development, Subcommittee on Housing and Community Development of the Committee on Banking Finance and Urban Affairs, revised through December 31, 1994, Section 3.(a)(2)

21. 2008 American Community Survey, U.S. Census Bureau. http://factfinder.census.gov (Based on places with a population of more than 250,000).

22. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2010.

23. A typical bill was calculated using rate schedules published on the Con Edison website at http://www.coned.com/rates. The rates used were for Service Classification #1, Residential and Religious, at a usage rate of 300kWh, per averages stated by a representative from Con Edison.

24. "Price Out in 2008" and "Priced out in 2006." Technical Assistance Collaborative. April 2009.

25. "Reviving the City of Aspiration: A study of the challenges facing New York City's middle class." Center for An Urban Future, February 2009.

26. ACCRA Cost of Living Index Press Release. Third Quarter 2009. The Council for Community and Economic Research. http://www.coli.org/pdf/MediaRelease2009Q3.pdf

27. "Housing Affordability Hovers Near Record-High Level for Fourth Consecutive Quarter." National Association of Home Builders. February 17, 2010.

28. "Most affordable housing markets," CNNMoney.com, May 19, 2006.

29. The methodology that the National Low Income Housing Coalition uses is at: http://nlihc.org/oor/oor2009/appendixa.pdf

30. Fair Market Rents are published annually by the U.S. Dept. of Housing and Urban Development. http://www.huduser.org/datasets/fmr.html

31. "The Unheard Third 2009: Job Loss, Economic Insecurity, and a Decline in Job Quality ." Community Service Society. October, 2009.

32. 2009 Federal Poverty Guidelines can be found at: http://aspe.hhs.gov/poverty/09poverty.shtml

33 Press Release, Mayor's Office. "Mayor Bloomberg and NYCHA Chairman Hernandez Announce that Section 8 Voucher List Will Open For First Time in Twelve Years," January 29, 2007.

34. Preliminary FY 2010 Mayor's Management Report and FY 2009 Mayor's Management Report.

35. "Council's Angry Over Housing, but That Doesn't Pay the Rent." *City Limits*. February 11, 2010.

36. "Thousands in City May Lose Rental Vouchers." *New York Times*. April 6, 2010.

37. New York City Human Resources Administration. Cash Assistance Recipients Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

38. Data directly from the NYS Office of Temporary and Disability Assistance, April 2010.

39. New York City Human Resources Administration. Job Placements (FA & SNA) Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

40. New York City Human Resources Administration. Food Stamp Recipients Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

41. New York City Human Resources Administration. Medicaid Enrollees Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

42. Consolidated Plan 2008 and Consolidated Plan 2009 Annual Performance Reports, NYC Dept. of City Planning.

43. NYC Dept. of Homeless Services. Data prior to 2009 may have been revised by the Dept. of Homeless Services and will not match statistics reported in prior year's reports.

44. Program description on Dept. of Homeless Services website: http://www.nyc.gov/html/dhs/html/rent/rentprog.shtml.

45. Civil Court of the City of New York data.

46. The New York City Housing Authority is required by law to begin non-payment proceedings 14 days after the rent due date when rent goes unpaid.

47. NYC Department of Investigation, Bureau of Auditors data. Data from 2006-2008 was updated by the Dept. of Investigation in 2009 and does not match data provided in previous year's reports.

48. "Analysis of the Mayor's Preliminary Budget for 2011." NYC Independent Budget Office, March 26, 2010. And "Comments on New York City's Preliminary Budget for Fiscal Year 2011 and Financial Plan for Fiscal Years 2010–2014." NYC Comptroller's Office, March 4, 2010.

Housing Supply

2010 Housing Supply Report

What's New

- ✔ Permits for 6,057 new dwelling units were issued in New York City in 2009, the least since 1995, and an 82.1% decrease over the prior year.
- ✔ The number of new housing units completed in 2009 decreased 8.8% over the prior year, to 22,229.
- ✔ The Citywide vacancy rate was 2.91% in 2008.
- ✔ City-sponsored residential construction spurred 12,231 new housing starts, more than 66% of which were rehabilitations.
- ✔ The number of housing units newly receiving 421-a exemptions increased 2.0% in 2009, to 4,613.
- ✔ The number of housing units newly receiving J-51 abatements and exemptions decreased 41.3% in 2009, to 37,867.
- ✔ The Attorney General's office reported a 50.8% decrease in the number of co-op or condo units accepted in 2009, to 378 plans containing 8,342 units.
- ✔ Demolitions, as reported by the New York City Dept. of Buildings, were down in 2009, decreasing by 39.3% to 1,626 buildings.
- ✔ The City-owned *in rem* housing stock continues to decline, falling 7.7% during FY 2009, to 766 units.

Introduction

Over the past year there was an 82.1% decrease in the number of permits issued for new dwelling units, falling to 6,057, the least since 1995. And the number of completed housing units fell for the second consecutive year, declining 8.8% from 2008 levels. A tight housing market also remains, with a Citywide rental vacancy rate of 2.91% and 10.1% of all rental housing considered overcrowded as of 2008. In 2009 there was a 50.8% decrease in the number of units in cooperative and condominium plans accepted for conversion or new construction (the third consecutive year of decline), while the number of City-owned occupied and vacant units continued to fall through various disposition programs, declining 7.7% during FY 2009, to 766 units. The City also saw a decrease in demolitions during 2009, falling 39.3%, the third consecutive annual decline. In addition, rehabilitation of residential units under the J-51 tax abatement and exemption program during 2009 decreased, falling 41.3%, while the number of market-rate units receiving 421-a benefits rose 2.0% over 2008 levels.

New York City's Housing Inventory

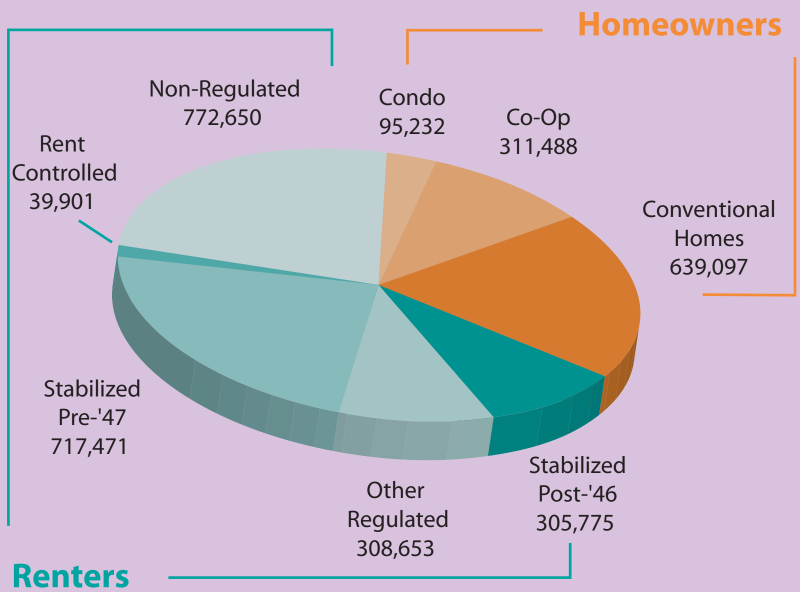
In contrast to the rest of the country, most New Yorkers do not own the homes in which they live. According to the *2008 Housing and Vacancy Survey (HVS)*,[1] rental units comprised 67.2% of New York City's available housing stock in 2008, twice as many rental units as the nation as a whole.[2] New York City in 2008 had a total of 3,328,395 housing units, the largest housing stock since the first HVS was conducted in 1965. New York City's housing is dominated by the size of its rental housing stock and unlike most cities, the bulk of rental units are rent regulated. Of the 2,144,452 occupied and vacant rental units reported in the most recent HVS, more than a third (36.0%) were unregulated, or "free market." The majority were either pre-war (pre-47) rent stabilized (33.5%) or post-war (post-46) rent stabilized (14.3%), and the rest were rent controlled (1.9%) or part of various other[3] types of regulated apartment programs (14.4%). (See pie chart on following page)

The HVS also indicated that New York City's housing market remains tight, finding a Citywide vacancy rate of 2.91% in 2008, below the 5% threshold required for rent regulation to continue under State law. Brooklyn had the lowest vacancy rate in the City, at 2.35%, while Queens had the highest, 3.32%. Of the other boroughs, Manhattan's vacancy rate was 2.76%, the Bronx's was 3.12%, and the small sample size of vacant apartments in Staten Island made calculation of a vacancy rate in that borough too inaccurate to report.[4]

Vacancy rates also vary by rent regulation status. The tightest market was found among post-war stabilized units, with a vacancy rate of 1.67% in 2008.

Number of Renter and Owner Units

New York City's Housing Stock Is Predominantly Renter-Occupied



Source: U.S. Bureau of the Census, 2008 New York City Housing and Vacancy Survey
Note: Above figures exclude vacant units that are not available for sale or rent.

Pre-war stabilized units also maintained a low vacancy rate, at 2.36%, while private, non-regulated units were vacant at a 4.75% rate.

The frequency of crowding also varied by rent regulation status. Overall, 10.1% of all rental housing in New York City in 2008 was overcrowded (defined as more than one person per room, on average) and 3.9% was severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing was most crowded, with 12.3% of units overcrowded and 4.9% severely overcrowded, while 9.9% of post-war units were overcrowded, and 4.5% of units were severely overcrowded. Overall, 11.6% of rent stabilized housing was overcrowded and 4.8% was severely overcrowded. In non-regulated housing, 10.0% was overcrowded and 3.7% severely overcrowded.

Changes in the Housing Inventory

New Additions

Housing supply grows in a variety of ways: new construction, substantial rehabilitation of deteriorated buildings, and conversions from non-residential buildings into residential use. The number of permits authorized for new construction is a measure of how many new dwelling units will be completed and ready for occupancy, typically within three years, depending on the type of housing structure.

Following two consecutive years of growth, the City in 2009 issued fewer housing permits for single- and multi-family buildings than the year prior. In 2009, permits were issued for 6,057 units of new housing, a decrease of 82.1% from the 33,911 units in 2008 (see graph on following page). This is the smallest number of permits issued on an annual basis since 1995, and is a drop of almost 28,000 from the prior year.[5]

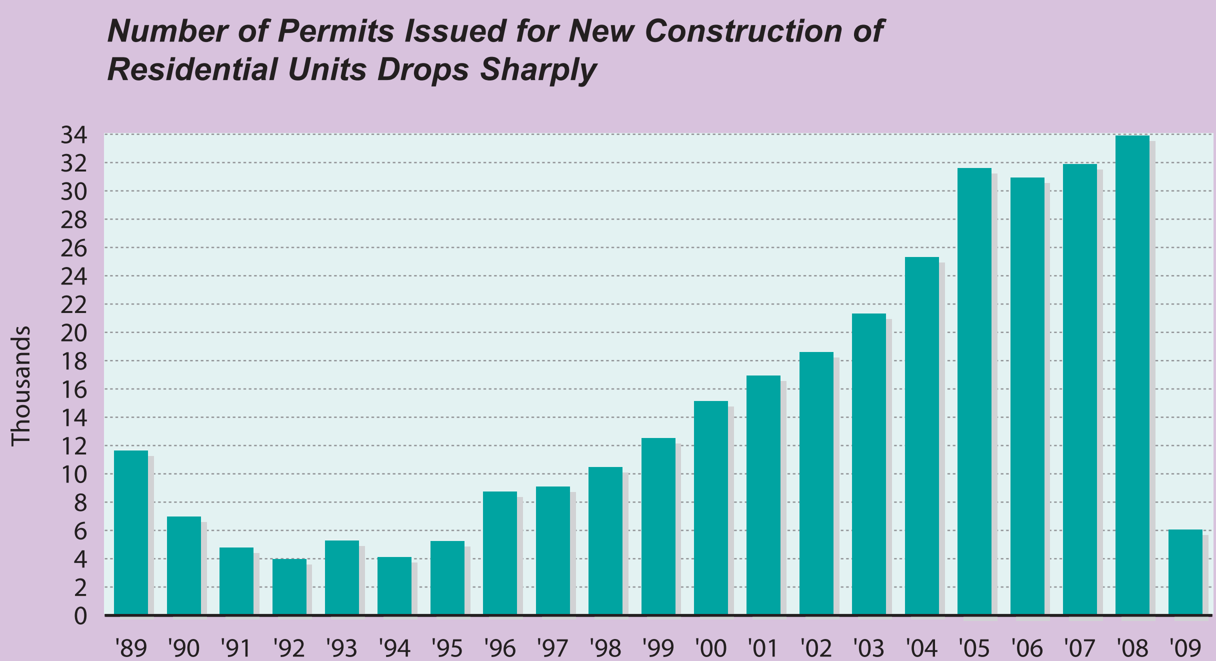
Permits decreased by double digits in every borough during 2009. Proportionally, Brooklyn dropped by the greatest proportion, falling 92.1%, to 1,003. Manhattan and Queens also decreased significantly, falling by 85.9% in Manhattan, to 1,363 and by 80.9% in Queens, to 1,474. Permits issued in Staten Island fell at a somewhat slower pace, decreasing by 54.6%, to 570 permits over the year. Permits fell by the smallest proportion in the Bronx, declining by 33.6%, to 1,647. (See Appendix G.1 and the map on the next page) While more than two-thirds of all permits in 2008 were issued during the second quarter, permits were more evenly distributed in 2009, falling by the smallest proportion in the fourth quarter, by 31.6%.

While permits issued decreased sharply between 2008 and 2009, the number of permits issued in early 2010 has declined at a much slower rate. The number of permits issued in New York City decreased from 1,077 in the first quarter of 2009 to 1,005 during the same period of 2010, a 6.7% decrease. Permits issued declined steeply in both the Bronx and Queens, by 65.9% and 51.0% respectively. However permits increased sharply in Manhattan, Staten Island, and Brooklyn, by 115.9%, 70.1%, and 27.7% respectively. It should be noted that although permits in the first quarter of 2010 declined by only 6.7% over the first quarter of 2009, permits were down much more sharply as compared to prior years, such as the first quarter of 2007 when 6,000 more permits were issued Citywide than in the first quarter of 2010.

Permit data can also be analyzed by the reported size of the buildings applying for permits. In 2009, a total of 1,014 buildings received permits (containing a total of 6,057 housing units). Citywide, 31.2% of these buildings were single-family, 37.1% were two-family, 15.3% were three- or four-family structures, and 16.5% were buildings with five or more units. The number of buildings receiving permits in 2009 was 58.3% lower than in 2008, and there was a shift towards smaller buildings, with the highest proportion of single-family permits since 2001. More than 74% of all permits Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 27 units for the City as a whole, and 45 units in Manhattan (both declines from the prior year). As the graph on the following page illustrates, almost all building permits in Manhattan were for the largest buildings, while in Staten Island virtually all permits were for either one- or two-family buildings. Building size was more evenly distributed in the other boroughs. (See Appendix G.2)

This report also examines the number of units completed in the City each year, illustrating what housing actually enters the market in a particular year.[6] In 2009, approximately 22,229 new housing units were completed, an 8.8% decrease over 2008.[7]

Units Issued New Housing Permits, 1989-2009, in Thousands

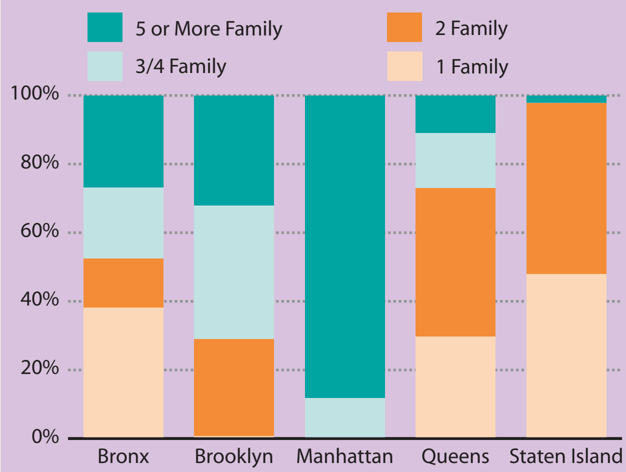


Source: U.S. Bureau of the Census, Manufacturing and Construction Division Building Permits Branch

Residential Building Permits, 2009

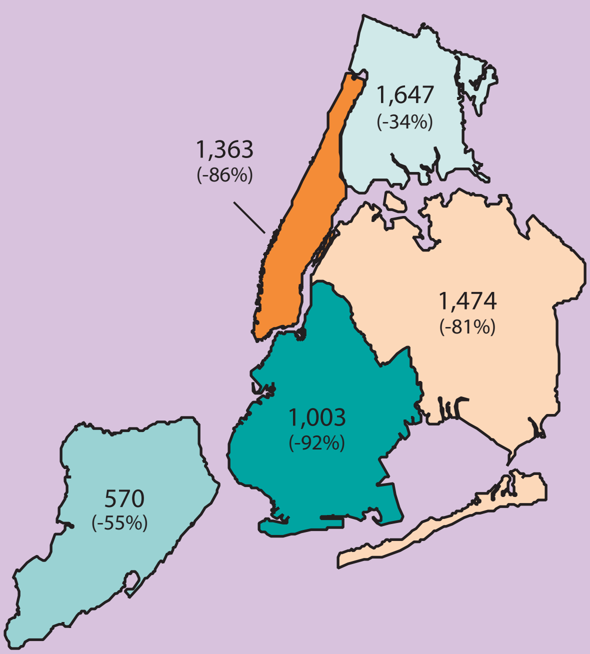
Permits by Building Size:

Most New Buildings in Manhattan are Five Family or More, in Staten Island One and Two Family Homes Predominate



Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

Total Number of Permits Issued in 2009 and Percentage Change From 2008 by Borough



Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

Completions were down in all boroughs but Brooklyn, which rose by 4.7%, to 7,653. Proportionally, completions were down by the greatest amount in the Bronx, which fell 30.0%, to 2,970, followed by Staten Island, which fell 13.1%, to 887. Smaller decreases were seen in Manhattan, which fell 12.0%, to 5,406 and Queens, which fell by 6.3%, to 5,313. (See Appendix G.3 for historical breakdown)

Housing is also created through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the New York City Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Cornerstone program, which is HPD's multi-family new construction housing initiative, financed principally through private sources; the Neighborhood Redevelopment Program, which gives City-owned buildings to non-profits to rehabilitate and operate as affordable housing; and the Mixed Income Rental Program, which helps finance affordable housing for those earning up to 130% of Area Median Income. HDC operates such programs as 80/20, which requires developers to set aside 20% of units for moderate-income families, and the New Housing Opportunities Program, which helps finance housing for middle-income New Yorkers.

HPD- and HDC-sponsored programs spurred a total of 12,231 reported housing starts[8] in FY 2009, a decrease of 27.1% over the prior fiscal year. Of the 12,231 total starts this year, 8,108 were rehabilitation starts, and 4,123 were new construction starts. HPD and HDC collectively expect to start an additional 14,275 units of new construction and rehabilitation in FY 2010, and 14,299 in FY 2011. During the first four months of FY 2010 there were 3,380 starts by HPD and HDC, a 106.1% increase over the corresponding period of the previous year. Almost 93% of these units were rehabilitations.[9]

In February 2006, Mayor Michael R. Bloomberg announced the expansion of his New Housing Marketplace Plan. The original five-year, $3 billion commitment of 65,000 units is now an 11-year commitment to build and preserve 165,000 units of affordable housing by 2014. This $8.5 billion plan will ultimately provide affordable homes for 500,000 New Yorkers.[10] As of May 2010, HPD and HDC have created or preserved 100,000 units of housing under the New Housing Marketplace Plan, more than 60% of the total planned. These units are fairly evenly dispersed throughout the Bronx, Brooklyn, and Manhattan, with only 12% of units in Queens and Staten Island.[11] The City has also shifted from its priority on new construction, and now anticipates that 64% of units by 2014 will be preservations, up from the 44% anticipated in the initial plan. More than three-quarters of planned units will be affordable to low-income households (making no more than 80% of HUD Income Limits), and 69% will be rental units.[12]

In another effort to create new affordable housing, and as reported in last year's report, the City has created the "Housing Asset Renewal Program," a $20 million plan for the City to buy vacant, unsold units in new developments for use as middle-income housing.[13] While at least five[14] buildings were in talks to participate in the program, no deals have been finalized, and the deadline for the program has been extended to July 1.[15]

HPD is also working with the New York City Housing Authority (NYCHA) to build affordable housing on "underutilized" NYCHA grounds. Up to 6,000 units are planned, with 3,500 units at 12 different sites already finished or in the pipeline.[16]

As also reported last year, the City received $24 million from the federal government to rehabilitate and resell 115 foreclosed homes. As of February, only eight had been bought by the City, and none had yet been rehabilitated and resold.[17] But the City also has plans to spend $750 million over the next five years to rescue multi-family apartment buildings that are falling into disrepair and veering towards foreclosure. They are specifically focusing on more than 3,500 units in 267 buildings, although an estimated 100,000 units are in buildings which are mortgaged for more than their market value.[18]

There are also reports that some City-subsidized housing is failing to attract buyers, particularly middle-income housing in lower-income neighborhoods. And only two new development deals for owner-occupied subsidized housing have been approved in the past two years, versus two dozen in the preceding two years.[19]

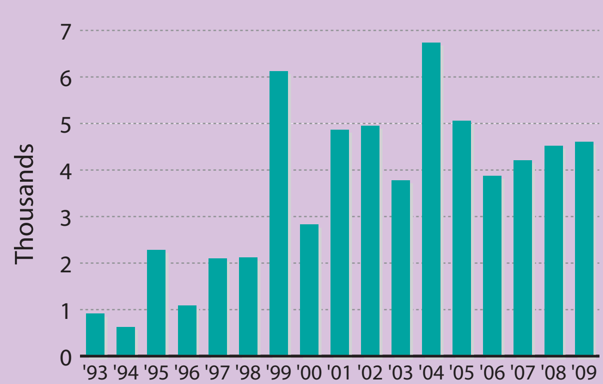
Tax Incentive Programs

The City helps promote development of new housing by offering various tax incentive programs. One such program for new renter- and owner-occupied multifamily properties containing three or more rental units is the 421-a tax incentive program. The program allows for a reduction in the taxable assessed value of eligible properties. That is, owners are exempt from paying additional real estate taxes due to the increased value of the property resulting from the improvements made. Eligible projects must be new construction of multiple dwellings on lots that were vacant, predominantly vacant, or improved with a non-conforming use three or more years before the new construction commences. Rental apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Initial rents are first approved by HPD and are then subject to increases established by the Rent Guidelines Board.

A variety of factors are used to establish the level and period of 421-a benefits, and properties are also subject

Units Newly Receiving 421-a Certificates, 1993-2009, in Thousands

2% Increase in Number of Units Newly Issued 421-a Certificates in 2009



Source: NYC Department of Housing Preservation and Development to construction guidelines. Properties receive an exemption for 10 to 25 years depending on location, the number of units reserved for low- and moderate-income tenants, and whether they are located in a neighborhood preservation area. Longer exemption periods apply in northern Manhattan and boroughs outside Manhattan, and to projects that receive governmental assistance or contain 20% low-income units.[20]

The *2007 Housing Supply Report* outlined major changes in the 421-a program which took effect on July 1, 2008, including a major expansion of the Geographic Exclusion area (the area which requires 20% of units in any given building to be set aside for affordable housing), new limits on the amount of assessed value that is exempt from taxes, and on-site affordability requirements extended to a length of 35 years.

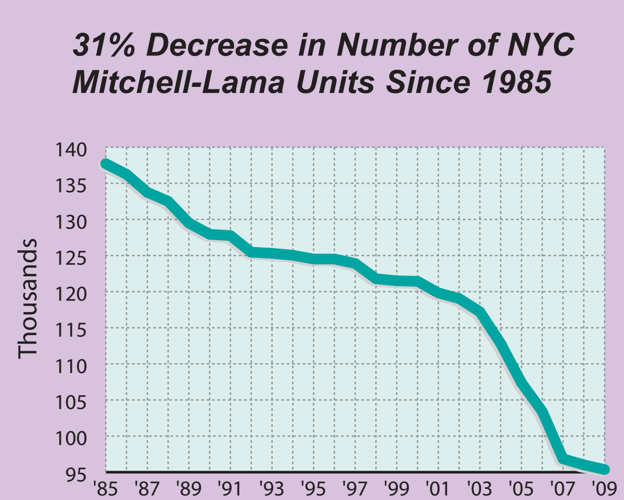
Through the market-rate 421-a program, the number of housing units newly receiving 421-a exemptions increased for the third consecutive year, up 2.0%, to 4,613 (see graph on previous page), including increases in every borough but the Bronx and Brooklyn. While the number of units decreased 47.9% in the Bronx and 33.9% in Brooklyn, it increased 69.0% in Manhattan, 57.6% in Queens, and rose from six to 97 units in Staten Island. The largest proportion of units receiving benefits in 2009 were in buildings located in Manhattan, which contained 45.3% of the total units in the City. The Bronx, Queens, and Brooklyn each had virtually the same number of units newly receiving 421-a benefits, with 17.2%, 17.6%, and 17.8% of units respectively. And Staten Island, with only 97 units, had 2.1% of units Citywide. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, the majority of units were in Manhattan, despite having only 27 of the 244 buildings Citywide newly approved for 421-a benefits.[21] (See Appendices G.6 and G.7)

Historically, tax-incentive housing has also been developed through the 421-a Affordable Housing Program, which allowed developers to build within Manhattan's "Exclusion Zone" as long as they provided either 20% of housing on-site to be affordable, or they financed affordable housing elsewhere in the City (at the rate of one affordable unit for every five units built in Manhattan). With changes to the 421-a program that now require all developers in the newly expanded Exclusion Zone to build affordable housing on-site, the 421-a Affordable Housing Program is being phased out and no new units began construction during 2009. However, some units did complete construction in 2009 — 469 new affordable units, producing 2,352 certificates for market-rate housing were completed, a 40.2% decline from last year.[22]

Another program that has offered affordable housing, the New York State Mitchell-Lama program, is losing residential units as market rents rise and landlords choose to leave the program. The program, which was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families, granted low-cost mortgages and tax breaks to landlords who developed low- and middle-income housing. There are approximately 95,000 Mitchell-Lama units in the City today (and up to 18,000 elsewhere in the state), with the last Mitchell-Lama project opening in 1978.[23]

After twenty years, owners may leave the program by "buying out" of it. By repaying in full the subsidized mortgages that they are receiving from the government, the buildings are no longer subject to the regulations of the Mitchell-Lama program. In New York City approximately 42,000 units in Mitchell-Lama buildings have been lost due to buyouts since 1985 (see graph on this page). After averaging more than 5,000 buyouts

Units in the Mitchell-Lama Program, 1985-2009, in Thousands



Source: NYC Dept. of Housing Preservation & Development annually between 2004 and 2007, the pace slowed significantly for the second consecutive year, with only four buildings, containing 648 units, leaving the program in 2009.[24]

As more and more Mitchell-Lama apartments leave the program, new legislation and policies are increasingly being proposed to clarify the laws regarding rents in buildings buying out. In November of 2007, the New York State Division of Housing and Community Renewal (DHCR) issued a new policy on "unique and peculiar" circumstances, a policy that had allowed owners of buildings leaving Mitchell-Lama and built before 1974 to apply to have apartment rents set at market rates when entering rent stabilization. The new policy requires all Mitchell-Lama buildings built before 1974 to enter rent stabilization at current rents, preserving affordable rent levels for thousands of renters.[25] A proposed bill in the NYS Legislature would require all buildings leaving Mitchell-Lama or Section 8 to become rent stabilized, and would apply retroactively to buildings that have already left the system.[26] Other pending bills would require a one-year notification to tenants of any buyouts[27], while another bill, backed by Mayor Bloomberg, would put post-1973 rental buildings in rent stabilization after a buyout, and would allow current Mitchell-Lama developments to follow rent stabilization guidelines for rent increases.[28]

Conversions and Subdivisions

New housing units are also brought onto the market through subdivisions and conversions. Subdivisions involve the division of existing residential space into an increased number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use. As chronicled in prior Housing Supply Reports, during the mid-2000s, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods Citywide, including facilities as diverse as hospitals, recording studios, power plants, office buildings, and churches.

One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2009, 12 formerly non-residential buildings, containing 855 units, received J-51 benefits for conversion. Almost all were converted to co-op and condo units. This is roughly equivalent to 2008, when a total of 15 non-residential buildings and 765 units converted using J-51 benefits, also mostly co-op/condo units. But while the number of non-residential units converting with J-51 benefits increased slightly in 2009, the number of non-residential units in downtown Manhattan that converted with the aid of 421-g benefits declined in 2009, down 86% to 157 units.[29]

Conversion of single room occupancy (SRO) buildings also continued over the past year. SRO owners may convert SRO housing to other uses after obtaining a "Certificate of No Harassment" from HPD. Certificates are down for the fifth consecutive year, falling to 117 in 2009, down from 127 in 2008 and more than 200 in each year from 2004-2006.[30] Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. A bill introduced to the State Legislature earlier this year, and backed by Mayor Bloomberg, would close a loophole in the existing law and require owners of SROs to rent only to permanent tenants who intend to stay more than 30 days.[31]

Cooperative and Condominium Activity

Developers planning to build new co-op or condo buildings, and owners wishing to convert their rental buildings to co-ops or condos, must file plans with, and receive acceptance from, the New York State Attorney General's Office. In 2009, the Attorney General accepted 378 co-op and condo plans, a 28.1% decrease from the number accepted in 2008. These 378 plans encompassed 8,342 housing units, 50.8% less than in 2008. The vast majority of plans, 227, were accepted for buildings located in Brooklyn; 69 were located in Manhattan; 67 plans were accepted for Queens; Staten Island had eight plans; and there were seven in the Bronx. Most units were located in Brooklyn (3,765), Manhattan (2,335) and Queens (1,950), with only a combined total of 292 units in the Bronx and Staten Island.[32] (See Appendices G.4 and G.5)

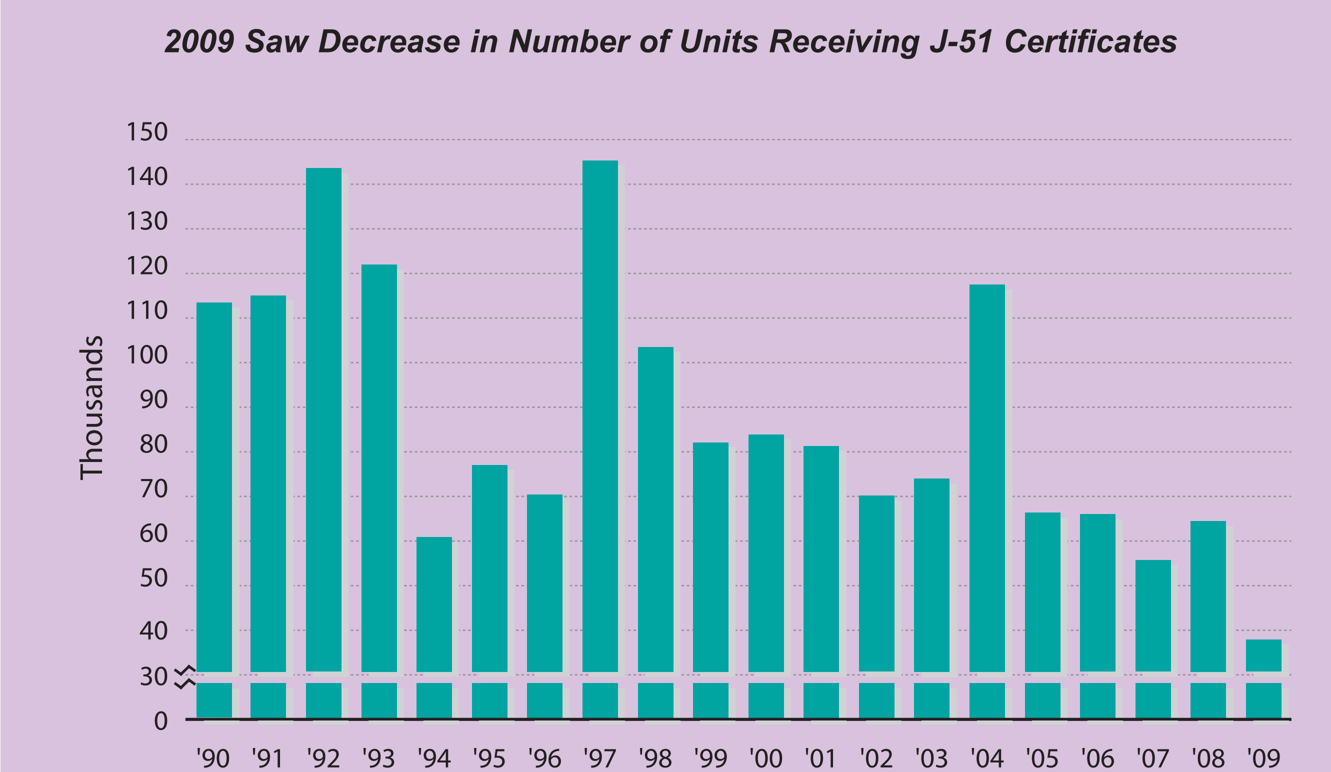
Almost all of the plans accepted Citywide in 2009 were for new construction, comprising 335 of 378 plans, and a total of 7,270 of 8,342 units. This is similar to the prior year, when new construction accounted for 454 of the 526 accepted plans. In 2009, 29 plans and 725 units were non-eviction conversions. An additional 13 plans, containing 274 units, were eviction plan conversions, all sponsored by HPD. In addition, one plan and 73 units were rehabilitation conversions.

While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the total number of housing units for rent. Conversions represented 12.0% of the total number of units in 2009 co-op and condo plans. Conversions held in the 70-90% range for all of the 1980s, before beginning to fall in the 1990s. Because most conversion plans are non-eviction plans (including all private plans in 2009), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment become owner-occupied. When that happens, the unit is then removed from the rental universe, thereby reducing the number of rental apartments available.

Rehabilitation

Another method for adding residential units to the City's housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain in habitable condition. This is particularly relevant to NYC's rental housing stock, of which almost 61% of units are in buildings constructed prior to 1946.[33] Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program is intended to encourage the periodic renovation of New York City's stock of both renter- and owner-occupied housing. Utilization rates of the benefit have varied widely over the years, with new benefits approved for more than 100,000 units in

Units Receiving Initial J-51 Benefits, 1989-2009, in Thousands



Source: NYC Department of Housing Preservation and Development six of the 10 years of the 1990s, but rates generally between 60,000-80,000 units in the 2000s.

In 2009, 37,867 units newly received J-51 benefits, a decrease of 41.3% from the previous year, and the lowest level in the history of this report (see graph on previous page and Appendix G.7). These units were contained in 1,138 buildings, a decrease of 16.4% from 2008 levels. The location of the units newly receiving benefits ranged from 32.2% located in Brooklyn; to 30.7% in Queens; 19.7% in Manhattan; 15.8% in the Bronx; and 1.6% in Staten Island. Just over half of buildings containing these units were in Queens, while the other half were almost entirely located in either Manhattan, Brooklyn, or the Bronx.[34]

The J-51 tax relief program is similar to the 421-a program in that it requires that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Apartment units in many high-rent neighborhoods are not allowed to enter the program because the apartment unit tax assessment generally cannot exceed $38,000-$40,000 after completion. Rehabilitation activities that are eligible for tax abatements and exemptions include Major Capital Improvements (MCI's), substantial rehabilitation, conversion from non-residential uses, and moderate rehabilitation, which requires significant improvement to at least one major building-wide system. Enriched exemption and abatement benefits are also available for conversion to Class A multiple dwellings (which are permanent residential dwellings) and rehabilitation of Class A buildings that are not entirely vacant.[35] In Fiscal Year 2010, the J-51 tax program will cost the City $254.1 million for all housing types, including almost 440,000 rental units.[36] (See Appendices G.6 and G.7)

Tax-Delinquent Property

In Rem Housing

For two decades, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the City owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 buildings and 55,000 units of vacant housing (see graph on next page). Most of these were dilapidated multi-family buildings occupied by a predominantly low-income population. To counter this trend, HPD developed multiple disposition programs over time to manage, rehabilitate and sell many of these *in rem* buildings. HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and stimulating neighborhood development. The programs enable local entrepreneurs, community not-for-profit housing organizations, and groups of tenants to own and manage these buildings. Many of these programs include funds for rehabilitation and use the proceeds of federal tax credits to keep rents affordable.

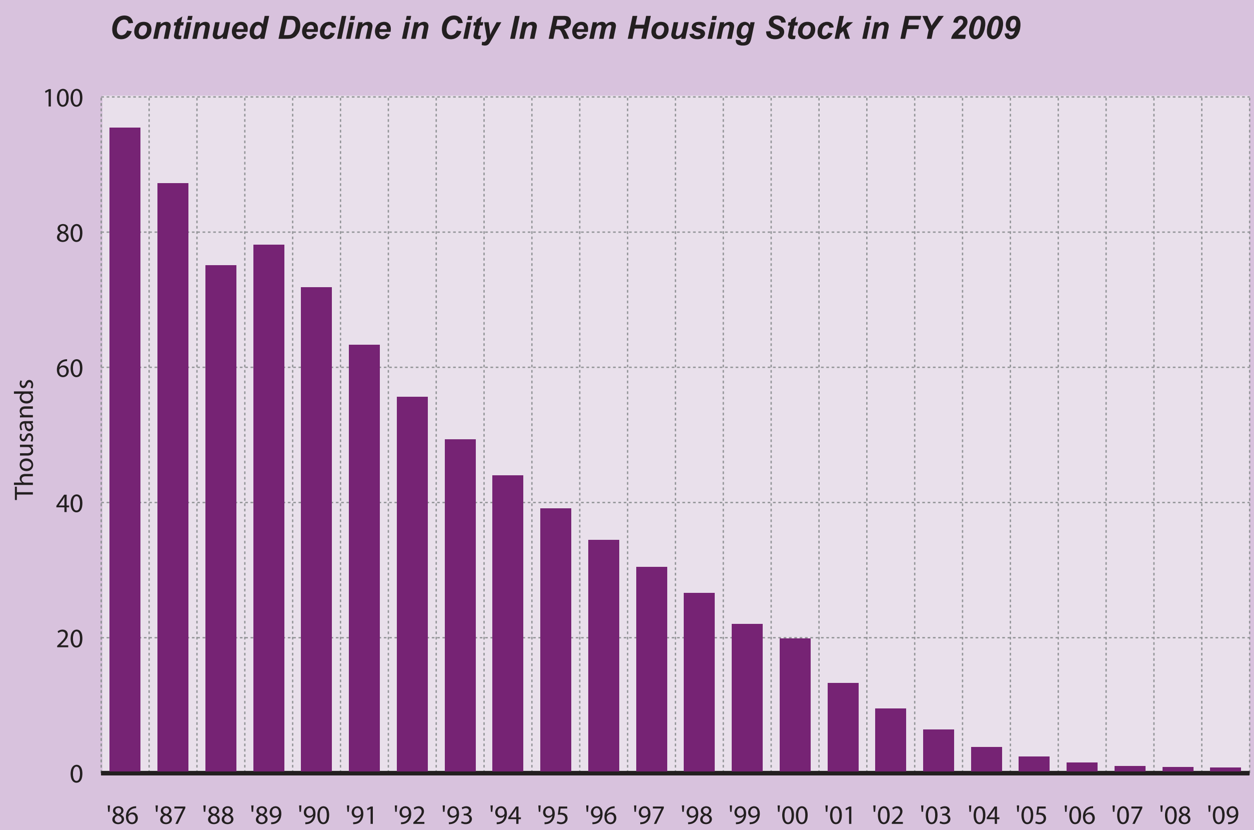
HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 766 through June 2009, a 98.3% decline since FY 1994.[37] HPD transfers buildings into alternative management programs before returning them to private ownership. During FY 2009, 251 units were sold through these programs and there are currently 25 buildings, with 591 units, in the sales pipeline. (See Appendix G.8 for a historical breakdown)

Anti-Abandonment Strategies

The City has also been able to significantly reduce its share of *in rem* buildings by identifying buildings at risk and helping owners. Key initiatives to prevent abandonment include the Third Party Transfer Program, which targets distressed and other buildings with tax arrears, and a Housing Education Program, which teaches owners and superintendents basic management, maintenance, and finance skills to improve their properties.[38]

Since the mid-1990s, the City has not taken title (i.e., vesting) of properties that are tax delinquent. Instead, the City has developed a comprehensive anti-abandonment strategy. First, tax liens for properties that are not distressed are sold in bulk to private investors. After the lien is sold, the lien holder is entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner must continue to pay current taxes to the City. If the owner has not paid the lien or entered into a payment plan, the lien holder can file for foreclosure on the property.[39]

Units in HPD Central Management Stock, FY 1986-FY 2009, in Thousands



Source: NYC Dept. of Housing Preservation and Development

An additional facet of the City's anti-abandonment strategy is third party transfer. For buildings that are distressed and in tax arrears, the City can initiate an *in rem* tax foreclosure action against property owners. The policy, authorized under Local Law 37 of 1996, transfers the title of *in rem* properties directly to new owners (qualified third parties) without the City ever taking title itself. The properties are temporarily transferred to Neighborhood Restore, a nonprofit corporation, and upon the judgment of the court, are transferred to a qualified third party.[40] Since it began in 1996, the program has collected $386 million in back taxes, and 442 buildings have been transferred to responsible for-profit and non-profit owners.[41]

Another anti-abandonment strategy involves the identification of buildings that are at risk of abandonment and helping these owners achieve fiscal and structural soundness for their properties through housing education, counseling, subsidized loans, and voluntary repair agreements, to preserve housing and avoid *in rem* actions entirely.

Demolitions

While in the early 1990s relatively few residential buildings in New York City were demolished, this began to change in 1996, the same year that the number of building permits issued began to increase significantly. In fact, the number of buildings demolished between 2005 and 2007 alone was almost triple the number demolished in all the years from 1990 to 1999 combined. But for the third consecutive year, demolitions in New York City fell as compared to the prior year. A total of 1,626 buildings were demolished in 2009, a 39.3% decrease over the prior year, following an 18.4% decline in 2008. Queens accounted for 40.8% of all the buildings demolished in 2009, Brooklyn had 28.7%, Staten Island had 10.9%, the Bronx had 10.2%, and Manhattan had the lowest proportion, 9.4%. Demolitions fell in every borough, declining by 49.5% in Brooklyn, 39.3% in Manhattan, 38.7% in Queens, 19.4% in the Bronx and 17.7% in Staten Island.[42] (See Appendix G.9)

Conclusion

Housing permits dropped precipitously in 2009, by 82.1%, and were at their lowest annual level since 1995, while the number of completed housing units also decreased, by 8.8%. The City also continued to reduce its share of City-owned vacant and occupied housing units, seeing a 7.7% decline during the most recent fiscal year. The number of new units receiving 421-a tax benefits increased 2.0% in 2009, while J-51 tax abatements and exemptions decreased 41.3%. There was also a 50.8% drop in the number of units accepted in new or converted co-op and condo buildings. Rental housing availability remains tight, with a Citywide vacancy rate of just 2.91% in 2008, and overcrowding remains a problem. Mayor Bloomberg's ten-year housing initiative has begun development/ construction on more than 100,000 units, helping to reduce the affordable housing shortage. ❐

Endnotes

1. The New York City Housing and Vacancy Survey (HVS) is done triennially, sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau.

2. The U.S. housing stock was comprised of 33% renter-occupied units, according to the 2008 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in New York City, staff did not include vacant units that are not for sale or for rent in the total number of housing units.

3. Other units include public housing, Mitchell-Lama, *In Rem*, HUD-regulated, Article 4 and Loft Board units.

4. Since the number of vacant units available for rent in Staten Island is small, and the HVS is a sample survey, the sampling error of the vacancy rate is likely to be large, and thus, the Census Bureau could not calculate an accurate vacancy rate.

5. U.S. Census Bureau web site. World Wide Web page <http://www.census.gov/const/www/permitsindex.html>.

6. NYC Dept. of City Planning data. Note that the data is continually updated and is subject to change, including data from prior years.

7. Beginning with the *2006 Housing Supply Report,* the RGB defines a housing completion as any unit receiving either a permanent or a temporary Certificate of Occupancy in the stated year. The Department of City Planning provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in New York City than previous methodologies which only counted final Certificates of Occupancy.

8. Starts refer to the number of units beginning construction or rehabilitation in a given period.

9. Mayor's Management Reports, Fiscal Year 2009 and Preliminary Fiscal Year 2010.

10. Mayor's Office Press Release. "Mayor Bloomberg Outlines Steps the City is Taking to Achieve Affordable Housing Goal of 165,000 Units to House 500,000 New Yorkers Despite Historic Economic Challenges." February 22, 2010.

11. Mayor's Office Press Release. "Mayor Bloomberg, HUD Secretary Donovan, Speaker Quinn, Commissioner Cestero and Other Officials Announce 100,000 Units of Affordable Housing." May 3, 2010.

12. "2010 New Housing Marketplace Plan." NYC Dept. of Housing Preservation and Development.

13. "City Dealing to Make Luxe Condos Cheaper." *NY Post.* August 24, 2009.

14. "City's Affordable Housing Program Faces Trouble Finding Buyers," *The New York Times.* February 18, 2010.

15. "One Year Later, Plan to Reverse Condo Boom a Bust." *City Hall News.* April 26, 2010.

16. "As City Squeezes in Housing, Some Perks are Squeezed Out." *The New York Times.* March 25, 2010.

17. "City slow to recover from housing market collapse; buys just 8 homes out of promised 115." *New York Daily News.* February 7, 2010

18. "City Bids to Save Housing Imperiled by Investors." *The New York Times.* January 22, 2010.

19. "City's Affordable Housing Program Faces Trouble Finding Buyers," *The New York Times.* February 18, 2010.

20. Program information available at: http://nyc.gov/html/hpd/html/developers/421a.shtml

21 NYC Department of Housing Preservation and Development, Tax Incentives Program data.

22. Data obtained from the NYC Dept. of Housing Preservation and Development, Inclusionary Housing/421a Affordable Housing Program. Each affordable housing unit financed or built under the Affordable Housing Program creates between four and six certificates for market rate housing.

23. "2007 Annual Report: Mitchell-Lama Housing Companies in NYS." NYS Division of Housing and Community Renewal. January 15, 2008 and updated with known buyouts.

24. The number of Mitchell-Lama buyouts were provided most recently through the NYC Dept. of Housing Preservation and Development and the NYS Division of Housing and Community Renewal, and in previous years through other sources, such as the report "Affordable No More: An Update" by the Office of the New York City Comptroller, Office of Policy Management on May 25, 2006.

25. "Albany Bars Rent Rise for Thousands." Manny Fernandez, *The New York Times*, November 26, 2007.

26. NYS Senate Bill S3326-B. Summary of all Mitchell-Lama Bills available at: http://www.save-ml.org/modules.php?name=News&file=article&sid=225

27. NYS Senate Bill S5509. Summary of all Mitchell-Lama Bills available at: http://www.save-ml.org/modules.php?name=News&file=article&sid=225

28. NYS Senate Bill S6873. Summary of all Mitchell-Lama Bills available at: http://www.save-ml.org/modules.php?name=News&file=article&sid=225

29. NYC Department of Housing Preservation and Development, Tax Incentives Program data.

30. NYC Department of Housing Preservation and Development.

31. "Lawmakers Seek to Crack Down on Illegal Hotels." *Gotham Gazette.* March 16, 2010.

32. NYS Attorney General's Office, Real Estate Financing Bureau data. and the NYC Dept. of Housing Preservation and Development, Sales Unit.

33. *2008 NYC Housing and Vacancy Survey*, U.S. Census Bureau.

34. NYC Dept. of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421–a program, J-51 provides tax abatements and incentives to newly built renter- and owner-occupied units, which are included in the figures given in this report.

35. Landlord Information/Tax Incentives: J-51, NYC Department of Housing Preservation and Development web site. http://www.nyc.gov/html/hpd/html/developers/j51.shtml.

36. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, February, 2010.

37. NYC Dept. of Housing Preservation and Development..

38. NYC Department of Housing Preservation and Development website. http://www.nyc.gov/html/hpd/html/homeowners/tax.shtml.

39. NYC Department of Finance, General Information on the City's Tax Lien Sale Process. http://www.nyc.gov/html/dof/html/property/property_bill_taxlien.shtml#general.

40. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment," by Lisa Mueller, Local Initiative Support Corporation report, January 14, 2003. http://www.lisc.org/content/publications/detail/794/.

41. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May, 2010.

42. NYC Department of Buildings (DOB) data. Note that demolition statistics include both residential as well as commercial buildings, as the DOB does not specify the type of building in its data.

Changes to the Rent Stabilized Housing Stock in New York City in 2009

What's New

✔ The study finds a net estimated loss of 10,052 rent stabilized units in 2009, an increase of 22% over 2008 and the highest single year loss in the history of this report.

✔ Most of the additions to the rent stabilized stock in 2009 were due to two tax incentive programs: the 420-c and 421-a programs.

✔ In 2009, High Rent/ Vacancy Decontrol made up the largest category of subtractions from the stabilized stock, accounting for 73% of the subtractions.

Introduction

Rent regulation has been a fixture in New York City's housing market for close to seven decades, although the laws that govern rent regulated housing have been substantially changed and/or modified over time. In addition to legislative changes, the existing laws allow for dynamic changes in the regulatory status of a significant portion of the rent regulated housing stock in any given year. Units enter, exit or change status within the regulatory system.

The figures in this study represent additions and subtractions of dwelling units to and from the rent stabilization system in 2009. These statistics are gathered from various City and State agencies.

This report is an update of previous studies done annually since 2003, when an analysis was done of the changes in New York City's rent stabilized housing stock from 1994 to 2002. The total number of additions and subtractions to the rent stabilized housing stock since 1994 is contained in the appendices of this report. These totals do not represent every unit that has been added or subtracted from the rent stabilized stock since 1994, but rather those that have been recorded or registered by various City and State agencies. They represent a 'floor,' or minimum count, of the actual number of newly regulated and deregulated units in these years.

Additions to the Rent Regulated Housing Stock

Since newly constructed or substantially rehabilitated units are exempt from rent regulation, increases to the regulated housing stock are frequently a result of owners "voluntarily" placing these new units under rent stabilization in exchange for tax benefits. These owners choose to place units under rent stabilization because of cost/benefit analyses concluding that short-term regulation with tax benefits is more profitable than free market rents without tax benefits. Events that lead to the addition of stabilized units include:

- Section 421-a Program
- J-51 Program
- Mitchell-Lama buyouts
- Lofts converted to rent stabilized units
- Other Additions
- Rent controlled apartments converting to rent stabilization

Section 421-a and J-51 Programs

The New York City Department of Housing Preservation and Development (HPD) administers programs to increase the supply of rental housing. Two of these programs have a significant impact on the inventory of stabilized housing: the Section 421-a Program and the J-51 Program. Under Section 421-a of the Real Property Tax Law, newly constructed dwellings in New York City can elect to receive real estate tax exemptions. For the duration of the benefits, at least, the newly built apartments are subject to rent stabilization. In 2009, an estimated total of 2,438 units were added to the rent stabilized stock through the 421-a program, 31% more than the 1,856 units added in 2008. The largest number of units were in Manhattan (1,231), followed by Brooklyn (499), the Bronx (384), Queens (323), and one unit on Staten Island.

The J-51 Program provides real estate tax exemptions and abatements to existing residential buildings which are renovated or rehabilitated. This program also provides these benefits to residential buildings converted from commercial structures. In consideration of receiving these benefits, owners of these buildings agree to place under rent stabilization those apartments which otherwise would not be subject to regulation. The apartments remain stabilized, at a minimum, until the benefits expire. The J-51 program added 18 units to the rent stabilized stock in 2009, two-thirds fewer than the 55 units added in 2008. These newly renovated units were located in just one building in Brooklyn. (See Appendices H.1 and H.2)

Mitchell-Lama Buyouts

Where rents in a building are regulated directly by the Federal, State or City government, these apartments are exempt from rent stabilization and control laws. However, when these government-aided developments are no longer directly administered by a governmental entity, they may become subject to rent stabilization laws. These federally regulated projects include Section 236 financed buildings and project-based Section 8 buildings.

Mitchell-Lama developments were constructed under the provisions of Article 2 of the Private Housing Finance Law (PHFL). This program was primarily designed to increase the supply of housing affordable to middle-income households. Approximately 75,000 rental apartments and 50,000 cooperative units were constructed under the program from the 1950s through the 1970s. For these units to be affordable, the State or City provided low interest mortgages and real estate tax abatements, and the owners agreed to limit their return on equity.

While the State and City mortgages are generally for a term of 40 or 50 years, the PHFL allows owners to "buy-out" of the program after 20 years. If an owner of a rental development buys-out of the program and the development was occupied prior to January 1,1974, the apartments may become subject to rent stabilization.

A total of 112 units in one former Mitchell-Lama rental development in the Bronx became rent stabilized in 2009. This number is about the same as the 101 units in 2008, but dramatically less than the number seen in 2007 and 2006 when 2,517 and 3,040 units were added respectively. Since 1994, 9,994 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices H.1 and H.2)

Loft Units

The New York City Loft Board, under Article 7-C of the Multiple Dwelling Law, regulates rents in buildings originally intended as commercial loft space that have been converted to residential housing. When the units are brought up to code standard, they become stabilized. Thirty-six units entered the rent stabilization system in 2009, compared to 35 added in 2008. (See Appendix H.1)

Other Additions to the Stabilized Housing Stock

Additionally, several other events can increase the rent stabilized housing stock: tax incentive programs such as 420-c and 421-g, "deconversion," returned losses, and the sub-division of large units into two or more smaller units. At least 5,413 units were added to the rent stabilized stock from these programs in 2009. (See Appendix H.1)

The 420-c program, a tax exemption program for low income housing projects that are developed in conjunction with the Low Income Housing Tax Credit program, accounted for the greatest number of additions to the rent stabilized stock. An estimated 5,413 units were added to the rent stabilized stock in 2009 through this program, a 14% increase over the number added the prior year. Of the total 420-c units that were added, almost half (2,536) were located in the Bronx. Of the remaining units, 1,225 were in Brooklyn; 1,047 were in Manhattan; 365 were located on Staten Island; and 240 were in Queens.[1]

The 421-g tax incentive program is designed for conversion of units in Lower Manhattan from non-residential to residential use. The 421-g program added no rent stabilized units to the housing stock in 2009, while 865 were added the prior year.[2]

Deconversion occurs when a building converted to cooperative status reverts to rental status because of financial difficulties. Returned losses include abandoned buildings that are returned to habitable status without being substantially rehabilitated, or City-owned *in rem* buildings being returned to private ownership. These latter events do not generally add a significant number of units to the rent stabilized stock and were not quantified in this study.

Changes in Regulatory Status

Chapter 371 of the Laws of 1971 provided for the decontrol of rent controlled units that were voluntarily vacated on or after July 1, 1971. Since the enactment of Vacancy Decontrol, the number of rent controlled units has fallen from over one million to roughly 40,000.[3] When a rent controlled unit is vacated, it either becomes rent stabilized or leaves the regulatory system. A rent controlled unit becomes rent stabilized when it is contained in a rental building with six or more units and the incoming tenant pays a legal regulated rent less than $2,000 per month. This process results in a diminution of the controlled stock and an increase in the stabilized stock. Otherwise, the apartment is subject to deregulation and leaves the rent regulatory system entirely.

According to rent registration filings with the NYS Division of Housing and Community Renewal (DHCR), 519 units in 2009 were decontrolled and became rent stabilized. This number is down from 887 units in 2008 and totaled 6% of the additions to the rent stabilization stock.[4] (See Appendix H.1)

Subtractions from the Rent Regulated Housing Stock

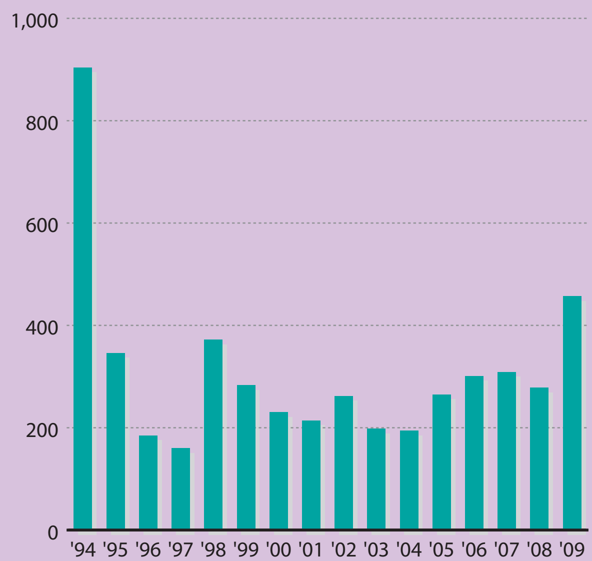
Deregulation of rent controlled and stabilized units occurs because of statutory requirements or because of physical changes to the residential dwellings. Events that lead to the removal of stabilized units include the following:

- High Rent/High Income Decontrol
- High Rent/Vacancy Decontrol
- Cooperative/Condominium Conversions
- Expiration of 421-a Benefits
- Expiration of J-51 Benefits
- Substantial Rehabilitation
- Conversion to Commercial or Professional Status
- Other Losses to the Housing Stock – Demolitions, Condemnations, Mergers, etc.

High Rent/High Income Decontrol

The Rent Regulation Reform Act (RRRA) of 1993 permitted the deregulation of occupied apartments renting for $2,000 or more in which the tenants in occupancy had a combined household income in excess of $250,000 in each of the immediately two preceding years. The 1997 RRRA reduced the income threshold to $175,000. Deregulation would occur upon application by the owner and upon the expiration of the rent stabilized lease. This income-based Decontrol process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part of the verification process. Please note that both the rent level and household income criteria have to be met for Decontrol to take place. If households earning at least $175,000 paid less than $2,000 per month, rent regulation would remain in effect. Also note that the owner must apply to DHCR in order to Decontrol the unit. If the owner did not submit a Decontrol application, the occupying tenant would remain

High Rent/High Income Decontrol, 1994-2009



Source: NYS Division of Housing and Community Renewal annual registration data.

regulated regardless of rent level and household income. Because DHCR has to approve the orders of deregulation, an exact accounting exists of units leaving regulation as a result of High Rent/High Income Decontrol.

Based on DHCR processing records, High Rent/High Income Decontrol destabilized a total of 457 apartments in 2009, a 64% increase over 2008.[5] Since 1994, 4,958 units have been deregulated due to High Rent/High Income Decontrol, of which 92% have been located in Manhattan. In 2009, 80% of these units were located in Manhattan. (See graph above and Appendix H.3)

High Rent/Vacancy Decontrol

In the 1993 RRRA, the New York State legislature reinstituted High Rent/Vacancy Decontrol.[6] This initial statute has since been changed several times. First, the 1993 RRRA deregulated vacant apartments and occupied regulated apartments that subsequently were vacated and rented for $2,000 or more per month between July 7 and October 1, 1993. Second, the New York City Council allowed for the deregulation of apartments upon vacancy on or after April 1, 1994 if these units rented for $2,000 or more. Thus, the original dates in the RRRA of 1993 establishing the parameters for Decontrol were no longer applicable. DHCR interpreted the $2,000 rent threshold as follows: if upon vacancy, the owner undertook individual apartment improvements that increased the legal regulated rent to $2,000 or more, and the incoming tenant agreed to pay $2,000 or more, the unit would be deregulated.

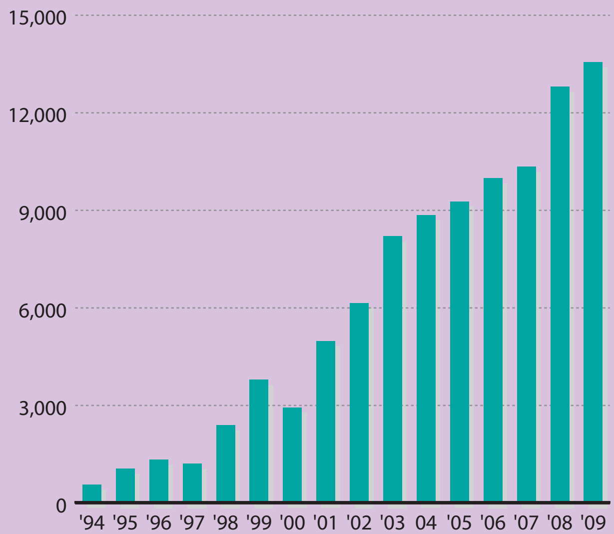
In a third stage, in early 1997, the City Council amended the Rent Stabilization Law to only allow for vacancy deregulation of the apartment if the vacating tenant's legal regulated rent was $2,000 or more. Finally, in June of 1997, with the passage of the RRRA, the state overrode the new City regulation. The determining factor was no longer the outgoing tenant's legal regulated rent but the incoming tenant's calculated legal regulated rent. Owners, upon a vacancy, could now apply a combination of allowable increases to reach the $2,000 deregulation level: standard vacancy increases, special vacancy increases and individual apartment improvement increases. This calculated rent for a hypothetical incoming tenant was the determining factor, not the rent the incoming tenant actually paid. In fact, after a stabilized unit is deregulated by this calculation, the actual deregulated rent the new tenant pays can be less than $2,000 per month.

According to DHCR rent registration records, 13,557 units were deregulated in 2009 under the High Rent/Vacancy Decontrol provisions of the RRRA, up 6% from the number deregulated in 2008. From the period of 1994-2009, a total of 97,384 units were registered with the DHCR as being deregulated due to High Rent/Vacancy Decontrol, 77% of which have been located in Manhattan.[7]

Since 2001, the first year owners were required to file High Rent/Vacancy Decontrol registrations, the rate at which they have increased over the prior year has varied.[8] From 2001 to 2002, High Rent/Vacancy Decontrol registrations increased by 23%, and from 2002 to 2003, they increased by 34%. However, since 2004, the rate of increase has been between 4% and

High Rent/Vacancy Decontrol, 1994-2009

Continued Increase in Number of Units Deregulated due to High Rent/Vacancy



Note: Registration of deregulated units with DHCR was voluntary and not required from 1994-2000. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years. The NYC City Council required proof of registration with DHCR of the unit as exempt to be sent to the tenant beginning in March 2000 (see Endnote 8).

Source: NYS Division of Housing and Community Renewal annual registration data.

8% each year, with the exception of 2008, when the number of units deregulated due to High Rent/Vacancy Decontrol increased 24% over the prior year. (See graph on this page and Appendices H.4-H.6)

Co-operative & Condominium Conversions

When rent regulated housing is converted to ownership status, there is a small immediate decrease in the rental stock, but over time there is a significantly larger decrease. Apartments are immediately removed from rent regulation if the tenant chooses to purchase their unit after a rent stabilized building is converted to cooperatives or condominiums. These units are no longer rentals.

For tenants who remain in their apartment and do not purchase their unit, the rent regulatory status depends on the type of conversion plan. In eviction conversion plans, non-purchasing tenants may continue in residence until the expiration of their lease. In non-eviction plans (which are the overwhelming majority of approved plans) the regulated tenants have the right to remain in occupancy until they voluntarily leave their apartments. When a tenant leaves a regulated unit, the apartment in many cases becomes deregulated, regardless if the incoming tenant purchases or rents.

In 2009, 1,153 units located in co-ops or condos left the stabilized housing stock, 18% fewer than left the system in 2008. An estimated total of 42,970 co-op or condo units have left the stabilized stock since 1994. (See Appendices H.5 and H.6)

Expiration of Section 421-a and J-51 Benefits

As discussed earlier in this report, buildings receiving Section 421-a and J-51 benefits remain stabilized, at least until the benefits expire. Therefore, these units enter the stabilized system for a prescribed time period and then exit the system.

In 2009, expiration of 421-a benefits resulted in a total of 1,075 units removed from rent stabilization system, almost 700 more units than the number removed in 2008. Similarly, the expiration of J-51 benefits resulted in a total of 286 units removed, a 63% increase from the prior year, when 176 units were removed from rent stabilization. Since 1994, 18,758 421-a units have left the rent stabilization system and 14,164 J-51 units are no longer rent regulated. (See Appendices H.5 and H.6)

Substantial Rehabilitation

The Emergency Tenant Protection Act (ETPA) of 1974 exempts apartments from rent regulation in buildings that have been substantially rehabilitated on or after January 1, 1974. DHCR processes applications by owners seeking exemption from rent regulation based on the substantial rehabilitation of their properties. Owners must replace at least 75% of building-wide and apartment systems (i.e., plumbing, heating, electrical wiring, windows, floors, kitchens, bathrooms, etc.). In general, buildings that have been substantially rehabilitated and vacated tend to have been stabilized properties. Therefore, when these buildings are substantially rehabilitated, the apartments are no longer subject to regulation and are considered new construction. This counts as a subtraction from the regulated stock. Notably, these properties do not receive J-51 tax incentives for rehabilitation.

In 2009, 441 units were removed from stabilization through substantial rehabilitation, 5% more than the 421 units lost in the prior year. A total of 7,300 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix H.5)

Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use are no longer subject to rent regulation. In 2009, 62 units were converted to nonresidential use, slightly higher than the 56 in 2008. For the period 1994-2009, 2,096 residential units have been converted to nonresidential use. (See Appendix H.5)

Other Losses to the Housing Stock

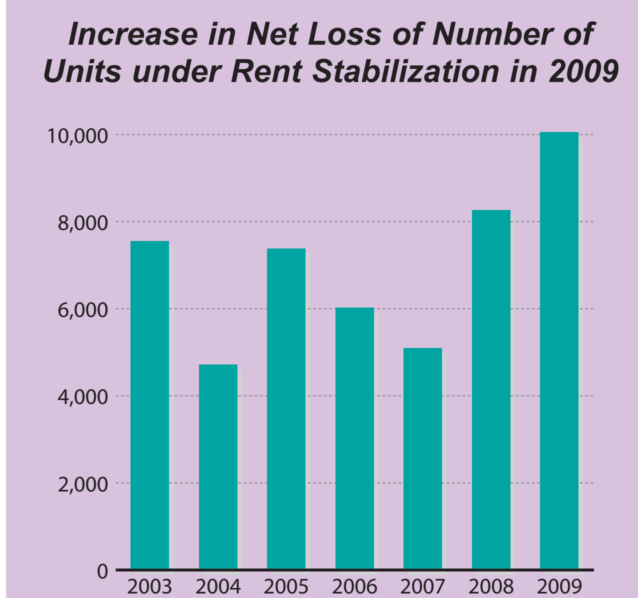
Owners may register units as permanently exempt when smaller units are merged into larger ones, or when the building is condemned, demolished or boarded-up/burnt-out. DHCR annual registration data shows that 1,557 units were removed from the stabilized housing stock in 2009 due to these reasons, up 18% from the prior year. (See Appendix H.5)

Summary

At least 18,588 housing units left rent stabilization, the largest number of units subtracted in a single year since this report was first prepared in 2003. In addition, approximately 8,536 units initially entered the stabilization system in 2009.

The built-in fluidity of the system resulted in a minimum net loss of an estimated 10,052 units to the rent stabilized housing stock in 2009, an increase of 22% from 2008, when rent stabilization saw a net estimated loss 8,267 units. It is also the largest net loss since this report was first prepared in 2003.[9] (See graph on this page and Summary Table on page 92.)

Net Loss in Rent Stabilized Units, 2003-2009



Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration and Office of Housing Operations; and NYC Loft Board.

The vast majority of additions to the stabilized stock in 2009 were the result of tax incentive programs. The creation of 420-c units resulted in 64% of the additions, and 421-a units equaled 29% of the total. By borough, the Bronx saw the most additions (2,920); followed by Manhattan (2,426); Brooklyn (1,742); Queens (563); and Staten Island (366).[10] (See Appendix H.2)

Meanwhile, High Rent/Vacancy Decontrol was the largest source of subtractions from the rent stabilized housing stock in 2009, accounting for 73% of the total number of subtractions. By borough, 63% of all units leaving rent stabilization in 2009 were located in Manhattan, a total of 11,717 units. Both Queens and Brooklyn each held about 16% of the units removed from rent stabilization, losing 3,043 and 2,926 units, respectively. The Bronx saw 4% of the Citywide subtractions (795) while Staten Island saw 1% (107). (See Appendix H.6) ❐

Endnotes

1. The 420-c tax incentive program provides a complete exemption from real estate taxes for the term of the regulatory agreement (up to 30 years). Eligible projects are owned or controlled by a not-for-profit Housing Development Fund Company, subject to an HPD regulatory agreement which requires use as low-income housing and are financed in part with a loan from the City or State in conjunction with federal low-income housing tax credits.

2. The 421-g tax incentive program provides 14-year tax exemption and abatement benefits for the conversion of commercial buildings to multiple dwellings in the Lower Manhattan Abatement Zone, generally defined as the area south of the centerline of Murray, Frankfort and Dover Streets, excluding Battery Park City and the piers. All rental units in the project become subject to rent stabilization for the duration of the benefits. These units might be subject to High Rent/Vacancy Decontrol if the initial rent level is $2,000 or more. However, a recent court ruling may reregulate units first Decontrolled and ensure stabilization of future units converted under this tax incentive program. See “A Surprise on Wall Street: Luxury Rentals May Benefit From Stabilization,” by Cara Buckley, *The New York Times*, April 27, 2010. Also, an additional 157 condo units were created under this tax incentive program in 2009.

3. The 2008 Housing and Vacancy Survey reported a total of 39,901 rent controlled units in New York City. This number was revised following the release of last year’s version of this report.

4. In previous years the units leaving rent control and entering rent stabilization were reported Citywide and by borough. Borough level data was not provided to the Rent Guidelines Board this year.

5. The final count for petitions for High Rent/High Income Decontrol may be slightly reduced as they are subject to appeal or in some cases, to review by a court of competent jurisdiction.

6. Decontrol of certain high rent apartments was instituted in New York City twice before, in 1964 and in 1968.

7. An October 2009 court decision found that about 4,000 apartments in the Stuyvesant Town and Peter Cooper Village complexes in Manhattan were improperly Decontrolled because the buildings were receiving J-51 tax benefits. This ruling may affect other apartments deregulated elsewhere in the City. Since the full impact of this ruling hasn’t been determined, the reregulation of these units is not included in this year’s report. See “Court Deals Blow to Owners of Apartment Complex,” by Charles V. Bagli, *The New York Times*, October 22, 2009.

8. In March 2000, New York City enacted Local Law No. 2000/012, which amended the administrative code of the City of New York in relation to extending the rent stabilization laws with certain amendments to such laws and the rent control law.

9. Almost the entire number of the estimated net loss of units to the rent stabilized housing stock will remain as housing units in New York City. These units would convert from rent stabilization to either forms of ownership or to non-regulated rental units unless they are demolished.

10. The borough additions do not include formerly rent controlled units since borough level data was not provided to the Rent Guidelines Board.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2009

Program	Number of Units
ADDITIONS	
421-a	+ 2,438
J-51 conversions	+ 18
Mitchell-Lama buyouts	+ 112
Loft conversions	+ 36
Other Additions	+ 5,413
CHANGES	
Rent control to rent stabilization	+ 519
Subtotal Additions & Changes	**+ 8,536**
SUBTRACTIONS	
Co-op and Condo subtractions	- 1,153
High Rent/Vacancy Decontrol	- 13,557
High Rent/High Income Decontrol	- 457
421-a Expiration	- 1,075
J-51 Expiration	- 286
Substantial Rehabilitation	- 441
Commercial/Professional conversion	- 62
Other Subtractions	- 1,557
Subtotal Subtractions	**- 18,588**
NET TOTAL	
Net Estimated Loss	***- 10,052***

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration and Office of Housing Operations; and NYC Loft Board.

Appendices

Appendix A: Guidelines Adopted by the Board

A.1 Apartments & Lofts - Order #42

On June 24, 2010, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2010 and on or before September 30, 2011 for rent stabilized apartments:

One-Year Lease	Two-Year Lease
2.25%	4.50%

In the event of a sublease governed by subdivision (e) of section 2525.6 of the Rent Stabilization Code, the allowance authorized by such subdivision shall be 10%.

No vacancy allowance is permitted except as provided by sections 19 and 20 of the Rent Regulation Reform Act of 1997.

For Loft units that are covered under Article 7-C of the Multiple Dwelling Law, the Board established the following maximum rent increases for increase periods commencing on or after October 1, 2010 and on or before September 30, 2011:

One-Year Increase Period	Two-Year Increase Period
2.25%	4.50%

Leases for units subject to rent control on September 30, 2010, which subsequently become vacant and then enter the stabilization system, are not subject to the above adjustments. The rents for these newly stabilized units are subject to review by the New York State Division of Housing and Community Renewal (DHCR). In order to aid DHCR in this review, the RGB has set a special guideline. For rent controlled units which become vacant after September 30, 2010, the special guideline shall be the greater of the following:

(1) 50% above the maximum base rent or
(2) The Fair Market Rent for existing housing as established by the United States Department of Housing and Urban Development (HUD) for the New York City Primary Metropolitan Statistical Area pursuant to Section 8(c) (1) of the United States Housing Act of 1937 (42 U.S.C. section 1437f [c] [1]) and 24 C.F.R. Part 888, with such Fair Market Rents to be adjusted based upon whether the tenant pays his or her own gas and/or electric charges as part of his or her rent as such gas and/or electric charges are accounted for by the New York City Housing Authority.

Such HUD-determined Fair Market Rents will be published in the Federal Register, to take effect on October 1, 2010.

A.2 Hotel Units - Order #40

On June 24, 2010, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2010 and on or before September 30, 2011 for rent stabilized hotels:

Single Room Occupancy Buildings (SRO)	0%
Lodging Houses	0%
Class A Hotels	0%
Class B Hotels	0%
Rooming Houses	0%

B.1 PIOC Sample, Number of Price Quotes per Item, 2009 vs. 2010

Spec	Description	2009	2010
211	Apartment Value	140	143
212	Non-Union Super	94	106
216	Non-Union Janitor/Porter	40	48
	LABOR COSTS	**274**	**297**
301	Fuel Oil #2	24	22
302	Fuel Oil #4	6	5
303	Fuel Oil #6	6	5
	FUEL	**36**	**32**
501	Repainting	126	127
502	Plumbing, Faucet	35	32
503	Plumbing, Stoppage	38	33
504	Elevator #1	12	11
505	Elevator #2	12	11
506	Elevator #3	11	10
507	Burner Repair	11	10
508	Boiler Repair, Tube	10	11
509	Boiler Repair, Weld	5	6
510	Refrigerator Repair	6	8
511	Range Repair	10	12
512	Roof Repair	23	22
513	Air Conditioner Repair	6	6
514	Floor Maint. #1	5	9
515	Floor Maint. #2	5	9
516	Floor Maint. #3	5	9
518	Linen/Laundry Service	5	5
	CONTRACTOR SERVICES	**325**	**331**
601	Management Fees	93	133
602	Accountant Fees	27	31
603	Attorney Fees	22	21
604	Newspaper Ads	18	18
605	Agency Fees	5	5
606	Lease Forms	6	8
607	Bill Envelopes	10	10
608	Ledger Paper	7	5
	ADMINISTRATIVE COSTS	**188**	**231**
701	INSURANCE COSTS	**648**	**605**
801	Light bulbs	5	7
802	Light Switch	5	7
803	Wet Mop	5	6
804	Floor Wax	9	10
805	Paint	12	11
806	Pushbroom	5	8
807	Detergent	6	7
808	Bucket	15	13
809	Washers	14	14
810	Linens	10	11
811	Pine Disinfectant	11	13
812	Window/Glass Cleaner	8	9
813	Switch Plate	10	10
814	Duplex Receptacle	9	9
815	Toilet Seat	18	15
816	Deck Faucet	17	13
	PARTS & SUPPLIES	**159**	**163**
901	Refrigerator #1	7	9
902	Refrigerator #2	12	10
903	Air Conditioner #1	8	7
904	Air Conditioner #2	9	6
905	Floor Runner	7	5
906	Dishwasher	11	8
907	Range #1	11	8
908	Range #2	8	7
909	Carpet	11	10
910	Dresser	5	7
911	Mattress & Box Spring	7	7
	REPLACEMENT COSTS	**96**	**84**
	ALL ITEMS	**1,726**	**1,743**

B.2 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Apartments, 2010

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	0.2728	1.1012	10.12%	0.0494
201	Payroll, Bronx, All (Union)	0.1043	1.0287	2.87%	0.0000
202	Payroll, Other, Union, Supts.	0.1030	1.0258	2.58%	0.0000
203	Payroll, Other, Union, Other	0.2556	1.0277	2.77%	0.0000
204	Payroll, Other, Non-Union, All	0.2944	1.0215	2.15%	0.6259
205	Social Security Insurance	0.0437	1.0252	2.52%	0.0000
206	Unemployment Insurance	0.0057	1.0678	6.78%	0.0000
207	Private Health & Welfare	0.1932	1.0556	5.56%	0.0000
	LABOR COSTS	0.1339	1.0313	3.13%	0.1843
301	Fuel Oil #2	0.6054	0.9226	-7.74%	0.9175
302	Fuel Oil #4	0.1477	1.0895	8.95%	0.5660
303	Fuel Oil #6	0.2469	1.1548	15.48%	0.2706
	FUEL	0.1334	1.0046	0.46%	0.5656
401	Electricity #1, 2,500 KWH	0.0080	0.9749	-2.51%	0.0000
402	Electricity #2, 15,000 KWH	0.1047	0.9392	-6.08%	0.0000
403	Electricity #3, 82,000 KWH	0.0000	0.9690	-3.10%	0.0000
404	Gas #1, 12,000 therms	0.0042	0.7903	-20.97%	0.0000
405	Gas #2, 65,000 therms	0.0615	0.7817	-21.83%	0.0000
406	Gas #3, 214,000 therms	0.2727	0.7745	-22.55%	0.0000
407	Steam #1, 1.2m lbs	0.0167	0.9261	-7.39%	0.0000
408	Steam #2, 2.6m lbs	0.0062	0.8894	-11.06%	0.0000
409	Telephone	0.0075	1.0812	8.12%	0.0000
410	Water & Sewer	0.5185	1.1290	12.90%	0.0000
	UTILITIES	0.1636	0.9832	-1.68%	0.0000
501	Repainting	0.3877	1.0036	0.36%	0.7878
502	Plumbing, Faucet	0.1399	1.0421	4.21%	1.5255
503	Plumbing, Stoppage	0.1249	1.0372	3.72%	1.5230
504	Elevator #1, 6 fl., 1 e.	0.0548	1.0194	1.94%	0.6873
505	Elevator #2, 13 fl., 2 e.	0.0359	1.0166	1.66%	0.7046
506	Elevator #3, 19 fl., 3 e.	0.0199	1.0186	1.86%	0.7375
507	Burner Repair	0.0392	1.0308	3.08%	1.8723
508	Boiler Repair, Tube	0.0517	1.0632	6.32%	3.9583
509	Boiler Repair, Weld	0.0430	1.0215	2.15%	2.2393
510	Refrigerator Repair	0.0115	1.0548	5.48%	2.4868
511	Range Repair	0.0109	1.0397	3.97%	2.0140
512	Roof Repair	0.0676	1.0413	4.13%	1.6199
513	Air Conditioner Repair	0.0081	1.0086	0.86%	0.9082
514	Floor Maint. #1, Studio	0.0003	0.9866	-1.34%	3.0209
515	Floor Maint. #2, 1 Br.	0.0005	0.9868	-1.32%	3.0482
516	Floor Maint. #3, 2 Br.	0.0042	0.9868	-1.32%	3.0400
	CONTRACTOR SERVICES	0.1244	1.0232	2.32%	0.4973
601	Management Fees	0.7261	1.0483	4.83%	0.9265
602	Accountant Fees	0.1369	1.0233	2.33%	0.9248
603	Attorney Fees	0.1028	1.0215	2.15%	2.2110
604	Newspaper Ads	0.0039	1.0089	0.89%	0.5692
605	Agency Fees	0.0055	1.0000	0.00%	0.0000
606	Lease Forms	0.0085	1.0191	1.91%	2.0514
607	Bill Envelopes	0.0088	1.0321	3.21%	2.2917
608	Ledger Paper	0.0074	1.0231	2.31%	2.2226
	ADMINISTRATIVE COSTS	0.0735	1.0411	4.11%	0.7220
701	INSURANCE COSTS	0.0769	0.9798	-2.02%	0.5879
801	Light Bulbs	0.0350	1.0176	1.76%	1.7926
802	Light Switch	0.0417	1.0484	4.84%	3.9761
803	Wet Mop	0.0374	1.0225	2.25%	2.3221
804	Floor Wax	0.0467	0.9902	-0.98%	2.8328
805	Paint	0.2296	1.0188	1.88%	1.4238
806	Pushbroom	0.0329	1.0146	1.46%	1.5237
807	Detergent	0.0349	1.0522	5.22%	2.9027
808	Bucket	0.0370	1.0186	1.86%	0.9954
809	Washers	0.0969	1.0102	1.02%	1.8091
811	Pine Disinfectant	0.0554	1.0174	1.74%	1.7966
812	Window/Glass Cleaner	0.0522	1.0097	0.97%	0.9607
813	Switch Plate	0.0446	1.0024	0.24%	0.4179
814	Duplex Receptacle	0.0319	1.0097	0.97%	1.0346
815	Toilet Seat	0.0964	1.0251	2.51%	1.6230
816	Deck Faucet	0.1275	1.0123	1.23%	1.2232
	PARTS AND SUPPLIES	0.0149	1.0172	1.72%	0.5204
901	Refrigerator #1	0.0968	0.9989	-0.11%	0.6379
902	Refrigerator #2	0.4674	1.0083	0.83%	0.5741
903	Air Conditioner #1	0.0162	1.0260	2.60%	1.9909
904	Air Conditioner #2	0.0205	1.0215	2.15%	1.5916
905	Floor Runner	0.0885	1.0000	0.00%	0.0000
906	Dishwasher	0.0491	1.0245	2.45%	1.8166
907	Range #1	0.0484	1.0126	1.26%	2.0373
908	Range #2	0.2130	1.0136	1.36%	0.7377
	REPLACEMENT COSTS	0.0065	1.0093	0.93%	0.3468
	ALL ITEMS	1.0000	1.0343	3.43%	0.1235

B.3 Price Relative by Building Type, Apartments, 2010

Spec #	Item Description	Pre-1947	Post-1946	Gas Heated	Oil Heated	MASTER METERED BLDGS
101	TAXES	1.1049	1.0953	1.1012	1.1012	1.1012
201-207	LABOR COSTS	1.0298	1.0329	1.0299	1.0314	1.0285
301-303	FUEL	0.9882	1.0718	0.9236	1.0075	0.9255
401-410	UTILITIES	0.9610	0.9760	0.8852	1.0791	0.9422
501-516	CONTRACTOR SERVICES	1.0246	1.0194	1.0193	1.0242	1.0229
601-608	ADMINISTRATIVE COSTS	1.0394	1.0433	1.0400	1.0412	1.0356
701	INSURANCE COSTS	0.9798	0.9798	0.9798	0.9798	0.9798
801-816	PARTS AND SUPPLIES	1.0172	1.0172	1.0174	1.0171	1.0179
901-908	REPLACEMENT COSTS	1.0092	1.0096	1.0119	1.0086	1.0074
	ALL ITEMS	**1.0188**	**1.0472**	**0.9957**	**1.0443**	**1.0206**

B.4 Price Relative by Hotel Type, 2010

Spec #	Item Description	Hotel	Rooming House	SRO
101	TAXES	1.1293	1.1332	1.1405
205-206, 208-216	LABOR COSTS	1.0293	1.0110	1.0193
301-303	FUEL	0.9826	0.9226	1.0793
401-407, 409-410	UTILITIES	0.9590	0.9598	0.9110
501-516, 518	CONTRACTOR SERVICES	1.0326	1.0291	1.0301
601-608	ADMINISTRATIVE COSTS	1.0387	1.0347	1.0371
701	INSURANCE COSTS	0.9798	0.9798	0.9798
801-816	PARTS AND SUPPLIES	0.9879	1.0122	1.0109
901-904, 907-911	REPLACEMENT COSTS	1.0227	1.0189	1.0186
	ALL ITEMS	**1.0494**	**1.0221**	**1.0315**

B.5 Percentage Change in Real Estate Tax Sample by Borough and Source of Change, Apartments and Hotels, 2010

	% Change Due to Assessments	% Change Due to Exemptions	% Change Due to Abatements	% Change Due to Tax Rates	% Change Due to Interactions	Total % Change
APARTMENTS						
Manhattan	7.60%	-0.35%	-0.06%	5.11%	0.36%	12.65%
Bronx	-8.24%	3.86%	-0.90%	8.65%	-0.22%	3.14%
Brooklyn	1.66%	0.08%	0.23%	5.33%	0.09%	7.38%
Queens	0.61%	0.15%	0.16%	5.22%	0.04%	6.18%
Staten Island	0.42%	5.48%	-0.14%	5.48%	0.30%	11.55%
All Apartments	**4.53%**	**0.06%**	**0.15%**	**5.16%**	**0.23%**	**10.12%**
HOTELS						
Hotel	25.88%	-16.79%	0.00%	3.47%	0.36%	12.93%
RH	8.09%	-0.19%	0.00%	5.02%	0.39%	13.32%
SRO	9.37%	-1.35%	0.63%	5.02%	0.39%	14.05%
All Hotels	**14.30%**	**-5.97%**	**0.27%**	**4.52%**	**0.38%**	**13.51%**

Note: Totals may not add due to rounding.

B.6 Tax Change by Borough and Community Board, Apartments, 2010

Borough	Community Board	Number of Buildings	Tax Relative
Manhattan		**12,711**	**12.65%**
	1	84	12.3%
	2	1,121	14.6%
	3	1,585	16.4%
	4	1,001	14.4%
	5	267	13.3%
	6	843	12.5%
	7	1,798	13.4%
	8	2,125	10.8%
	9	761	14.0%
	10	1,003	19.4%
	11	698	16.6%
	12	1,419	8.8%
Lower		**8,317**	**12.7%**
Upper		**4,394**	**12.5%**
Bronx		**5,389**	**3.14%**
	1	358	-8.8%
	2	257	7.5%
	3	343	3.1%
	4	727	2.3%
	5	664	3.0%
	6	494	2.6%
	7	933	3.4%
	8	333	5.1%
	9	302	-1.6%
	10	211	6.6%
	11	313	2.9%
	12	429	4.9%
Brooklyn		**12,907**	**7.38%**
	1	1,542	13.9%
	2	644	9.3%
	3	956	15.9%
	4	1,346	3.4%
	5	425	9.3%
	6	977	14.3%
	7	899	9.4%
	8	977	11.3%
	9	567	6.0%
	10	805	9.9%
	11	732	5.2%
	12	604	4.3%
	13	175	10.3%
	14	877	4.1%
	15	363	5.8%
	16	319	6.2%
	17	613	3.3%
	18	77	3.9%
Queens		**6,531**	**6.18%**
	1	1,881	6.8%
	2	874	7.6%
	3	454	-0.7%
	4	449	1.6%
	5	1,236	11.2%
	6	316	6.5%
	7	437	5.8%
	8	167	8.6%
	9	219	4.4%
	10	57	6.6%
	11	79	10.0%
	12	145	9.4%
	13	34	11.6%
	14	99	7.7%
Staten Island		**167**	**11.55%**
	1	117	15.6%
	2	27	6.2%
	3	22	1.9
ALL		**37,705**	**10.12%**

Note: No Community Board could be assigned to the following number of buildings for each borough: Manhattan (6), Bronx (24), Brooklyn (8), Queens (76), Staten Island (1). The number of buildings in the category "All" for each borough includes these buildings which could not be assigned a Community Board. Core and Upper Manhattan building totals are defined by block count and cannot be calculated by using Community Board numbers alone.

B.7 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Hotels, 2010

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	0.2925	1.1351	13.51%	1.5884
205	Social Security Insurance	0.0517	1.0252	2.52%	0.0000
206	Unemployment Insurance	0.0120	1.0678	6.78%	0.0000
208	Hotel Private Health/Welfare	0.0492	1.0371	3.71%	0.0000
209	Hotel Union Labor	0.3123	1.0389	3.89%	0.0000
210	SRO Union Labor	0.0121	1.0442	4.42%	0.0000
211	Apartment Value	0.1227	0.9940	-0.60%	0.7466
212	Non-Union Superintendent	0.3111	1.0248	2.48%	0.6224
213	Non-Union Maid	0.0000	0.0000	NA	0.0000
214	Non-Union Desk Clerk	0.0000	0.0000	NA	0.0000
215	Non-Union Maintenance Worker	0.0000	0.0000	NA	0.0000
216	Non-Union Janitor/Porter	0.1289	1.0130	1.30%	1.5465
	LABOR COSTS	0.1547	1.0253	2.53%	0.2926
301	Fuel Oil #2	0.6958	0.9226	-7.74%	0.9175
302	Fuel Oil #4	0.0150	1.0895	8.95%	0.5660
303	Fuel Oil #6	0.2892	1.1548	15.48%	0.2706
	FUEL	0.1505	0.9923	-0.77%	0.6432
401	Electricity #1, 2,500 KWH	0.0603	0.9749	-2.51%	0.0000
402	Electricity #2, 15,000 KWH	0.0672	0.9392	-6.08%	0.0000
403	Electricity #3, 82,000 KWH	0.2159	0.9690	-3.10%	0.0000
404	Gas #1, 12,000 therms	0.0494	0.7903	-20.97%	0.0000
405	Gas #2, 65,000 therms	0.0510	0.7817	-21.83%	0.0000
406	Gas #3, 214,000 therms	0.2333	0.7745	-22.55%	0.0000
407	Steam #1, 1.2m lbs	0.0003	0.9261	-7.39%	0.0000
409	Telephone	0.1487	1.0812	8.12%	0.0000
410	Water & Sewer	0.1739	1.1290	12.90%	0.0000
	UTILITIES	0.1469	0.9481	-5.19%	0.0000
501	Repainting	0.2183	1.0036	0.36%	0.7878
502	Plumbing, Faucet	0.0895	1.0421	4.21%	1.5255
503	Plumbing, Stoppage	0.0846	1.0372	3.72%	1.5230
504	Elevator #1, 6 fl., 1 e.	0.0380	1.0194	1.94%	0.6873
505	Elevator #2, 13 fl., 2 e.	0.0343	1.0166	1.66%	0.7046
506	Elevator #3, 19 fl., 3 e.	0.0311	1.0186	1.86%	0.7375
507	Burner Repair	0.0290	1.0308	3.08%	1.8723
508	Boiler Repair, Tube	0.0345	1.0632	6.32%	3.9583
509	Boiler Repair, Weld	0.0339	1.0215	2.15%	2.4868
511	Range Repair	0.1291	1.0397	3.97%	2.0140
512	Roof Repair	0.0308	1.0413	4.13%	1.6199
513	Air Conditioner Repair	0.0424	1.0086	0.86%	0.9082
514	Floor Maint. #1, Studio	0.0008	0.9866	-1.34%	3.0209
515	Floor Maint. #2, 1 Br.	0.0018	0.9868	-1.32%	3.0482
516	Floor Maint. #3, 2 Br.	0.0160	0.9868	-1.32%	3.0400
518	Linen/Laundry Service	0.1859	1.0625	6.25%	5.4027
	CONTRACTOR SERVICES	0.0766	1.0315	3.15%	1.0850
601	Management Fees	0.6629	1.0483	4.83%	0.9265
602	Accountant Fees	0.0804	1.0233	2.33%	0.9248
603	Attorney Fees	0.1085	1.0215	2.15%	2.2110
604	Newspaper Ads	0.0932	1.0089	0.89%	0.5692
605	Agency Fees	0.0245	1.0000	0.00%	0.0000
606	Lease Forms	0.0098	1.0191	1.91%	2.0514
607	Bill Envelopes	0.0121	1.0321	3.21%	2.2917
608	Ledger Paper	0.0086	1.0231	2.31%	2.2226
	ADMINISTRATIVE COSTS	0.0813	1.0378	3.78%	0.6669
701	INSURANCE COSTS	0.0431	0.9798	-2.02%	0.5879
801	Light Bulbs	0.0150	1.0176	1.76%	1.7926
802	Light Switch	0.0163	1.0484	4.84%	3.9761
803	Wet Mop	0.0458	1.0225	2.25%	2.3221
804	Floor Wax	0.0602	0.9902	-0.98%	2.8328
805	Paint	0.1307	1.0188	1.88%	1.4238
806	Pushbroom	0.0387	1.0146	1.46%	1.5237
807	Detergent	0.0483	1.0522	5.22%	2.9027
808	Bucket	0.0467	1.0186	1.86%	0.9954
809	Washers	0.0502	1.0102	1.02%	1.8091
810	Linens	0.2946	0.9501	-4.99%	4.7598
811	Pine Disinfectant	0.0224	1.0174	1.74%	1.7966
812	Window/Glass Cleaner	0.0209	1.0097	0.97%	0.9607
813	Switch Plate	0.0547	1.0024	0.24%	0.4179
814	Duplex Receptacle	0.0398	1.0097	0.97%	1.0346
815	Toilet Seat	0.0498	1.0251	2.51%	1.6230
816	Deck Faucet	0.0660	1.0123	1.23%	1.2232
	PARTS AND SUPPLIES	0.0385	0.9969	-0.31%	1.4479
901	Refrigerator #1	0.0217	0.9989	-0.11%	0.6379
902	Refrigerator #2	0.1039	1.0083	0.83%	0.5741
903	Air Conditioner #1	0.0605	1.0260	2.60%	1.9909
904	Air Conditioner #2	0.0724	1.0215	2.15%	1.5916
907	Range #1	0.0095	1.0126	1.26%	2.0373
908	Range #2	0.0430	1.0136	1.36%	0.7377
909	Carpet	0.3408	1.0281	2.81%	1.8818
910	Dresser	0.1771	1.0349	3.49%	2.4206
911	Mattress & Box Spring	0.1710	1.0053	0.53%	0.5570
	REPLACEMENT COSTS	0.0160	1.0213	2.13%	0.7981
	ALL ITEMS	1.0000	1.0395	3.95%	0.4909

B.8 Expenditure Weights and Price Relatives, Lofts, 2010

Spec #	Item Description	Weights	Price Relative
101	TAXES	0.2704	1.1012
201	Payroll, Bronx, All	0.0000	1.0287
202	Payroll, Other, Union, Supts.	0.2489	1.0258
203	Payroll, Other, Union, Other	0.0000	1.0277
204	Payroll, Other, Non-Union, All	0.5418	1.0215
205	Social Security Insurance	0.0418	1.0252
206	Unemployment Insurance	0.0061	1.0678
207	Private Health & Welfare	0.1614	1.0556
	LABOR COSTS	0.0906	1.0285
301	Fuel Oil #2	0.3349	0.9226
302	Fuel Oil #4	0.5547	1.0895
303	Fuel Oil #6	0.1103	1.1548
	FUEL	0.0957	1.0408
401	Electricity #1, 2,500 KWH	0.0088	0.9749
402	Electricity #2, 15,000 KWH	0.1170	0.9392
403	Electricity #3, 82,000 KWH	0.0000	0.9690
404	Gas #1, 12,000 therms	0.0047	0.7903
405	Gas #2, 65,000 therms	0.0682	0.7817
406	Gas #3, 214,000 therms	0.1924	0.7745
407	Steam #1, 1.2m lbs	0.0185	0.9261
408	Steam #2, 2.6m lbs	0.0068	0.8894
409	Telephone	0.0084	1.0812
410	Water & Sewer - Frontage	0.5753	1.1290
	UTILITIES	0.0841	1.0062
501	Repainting	0.3875	1.0036
502	Plumbing, Faucet	0.1400	1.0421
503	Plumbing, Stoppage	0.1249	1.0372
504	Elevator #1, 6 fl., 1 e.	0.0548	1.0194
505	Elevator #2, 13 fl., 2 e.	0.0360	1.0166
506	Elevator #3, 19 fl., 3 e.	0.0199	1.0186
507	Burner Repair	0.0392	1.0308
508	Boiler Repair, Tube	0.0517	1.0632
509	Boiler Repair, Weld	0.0431	1.0215
510	Refrigerator Repair	0.0115	1.0548
511	Range Repair	0.0109	1.0397
512	Roof Repair	0.0675	1.0413
513	Air Conditioner Repair	0.0082	1.0086
514	Floor Maint. #1, Studio	0.0002	0.9866
515	Floor Maint. #2, 1 Br.	0.0005	0.9868
516	Floor Maint. #3, 2 Br.	0.0042	0.9868
	CONTRACTOR SERVICES	0.0692	1.0232

Spec #	Item Description	Weights	Price Relative
	ADMINISTRATIVE COSTS, LEGAL	0.0727	1.0215
601	Management Fees	0.8175	1.0483
602	Accountant Fees	0.1423	1.0233
604	Newspaper Ads	0.0046	1.0089
605	Agency Fees	0.0065	1.0000
606	Lease Forms	0.0090	1.0191
607	Bill Envelopes	0.0110	1.0321
608	Ledger Paper	0.0091	1.0231
	ADMINISTRATIVE COSTS - OTHER	0.0952	1.0436
701	INSURANCE COSTS	0.1930	0.9798
801	Light Bulbs	0.0349	1.0176
802	Light Switch	0.0416	1.0484
803	Wet Mop	0.0374	1.0225
804	Floor Wax	0.0467	0.9902
805	Paint	0.2296	1.0188
806	Pushbroom	0.0329	1.0146
807	Detergent	0.0349	1.0522
808	Bucket	0.0370	1.0186
809	Washers	0.0969	1.0102
811	Pine Disinfectant	0.0553	1.0174
812	Window/Glass Cleaner	0.0522	1.0097
813	Switch Plate	0.0446	1.0024
814	Duplex Receptacle	0.0320	1.0097
815	Toilet Seat	0.0963	1.0251
816	Deck Faucet	0.1276	1.0123
	PARTS AND SUPPLIES	0.0161	1.0172
901	Refrigerator #1	0.0969	0.9989
902	Refrigerator #2	0.4673	1.0083
903	Air Conditioner #1	0.0163	1.0260
904	Air Conditioner #2	0.0204	1.0215
905	Floor Runner	0.0885	1.0000
906	Dishwasher	0.0492	1.0245
907	Range #1	0.0483	1.0126
908	Range #2	0.2131	1.0136
	REPLACEMENT COSTS	0.0131	1.0093
	ALL ITEMS	1.0000	1.0382

B.9 Changes in the Price Index of Operating Costs, Expenditure Weights and Price Relatives, Apartments, 2000-2010

	2000		2001		2002		2003		2004	
	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative
Taxes	0.259	5.2%	0.253	5.5%	0.245	6.6%	0.266	14.8%	0.261	16.2%
Labor Costs	0.176	2.6%	0.168	4.0%	0.160	4.0%	0.170	3.5%	0.150	4.5%
Fuel	0.073	54.8%	0.095	33.3%	0.116	-36.1%	0.076	66.9%	0.108	-2.8%
Utilities	0.147	5.7%	0.154	15.0%	0.163	-9.9%	0.149	21.7%	0.155	0.8%
Contractor Services	0.156	4.6%	0.152	3.6%	0.145	3.9%	0.153	4.8%	0.137	4.1%
Administrative Costs	0.089	4.0%	0.085	4.1%	0.082	4.6%	0.087	5.4%	0.078	4.0%
Insurance Costs	0.067	0.7%	0.062	4.9%	0.060	16.5%	0.071	40.5%	0.085	14.7%
Parts and Supplies	0.023	1.9%	0.022	0.8%	0.021	0.9%	0.021	0.4%	0.018	1.2%
Replacement Costs	0.010	0.8%	0.010	1.0%	0.009	-0.6%	0.009	1.4%	0.008	1.0%
All Items		**7.8%**		**8.7%**		**-1.6%**		**16.9%**		**6.9%**
Pre '47										
Taxes	0.180	5.2%	0.174	5.5%	0.166	6.6%	0.183	14.8%	0.178	16.8%
Labor Costs	0.156	2.7%	0.147	4.1%	0.139	4.4%	0.150	3.6%	0.131	4.7%
Fuel	0.104	52.9%	0.118	33.1%	0.143	-35.4%	0.095	64.3%	0.132	-2.3%
Utilities	0.152	5.0%	0.174	18.9%	0.188	-11.4%	0.172	22.2%	0.177	2.4%
Contractor Services	0.192	4.5%	0.185	3.7%	0.174	3.9%	0.187	4.9%	0.166	4.1%
Administrative Costs	0.084	2.6%	0.080	2.7%	0.074	4.4%	0.080	5.2%	0.071	3.9%
Insurance Costs	0.089	0.7%	0.082	4.9%	0.078	16.5%	0.094	40.5%	0.112	14.7%
Parts and Supplies	0.028	2.0%	0.026	0.8%	0.024	0.9%	0.025	0.4%	0.021	1.2%
Replacement Costs	0.016	0.8%	0.015	1.0%	0.013	-0.6%	0.014	1.4%	0.012	1.0%
All Items		**8.8%**		**10.1%**		**-3.2%**		**18.4%**		**6.4%**
Post '46										
Taxes	0.336	5.2%	0.330	5.5%	0.322	6.6%	0.345	14.8%	0.341	15.2%
Labor Costs	0.212	2.5%	0.203	3.9%	0.195	3.6%	0.203	3.3%	0.181	4.3%
Fuel	0.052	60.7%	0.073	34.1%	0.091	-38.8%	0.056	77.7%	0.085	-5.0%
Utilities	0.122	7.1%	0.127	14.5%	0.135	-10.5%	0.121	24.9%	0.131	-1.7%
Contractor Services	0.107	4.7%	0.104	3.4%	0.100	3.6%	0.104	4.7%	0.094	3.9%
Administrative Costs	0.100	3.6%	0.096	3.8%	0.092	4.9%	0.098	5.7%	0.089	4.0%
Insurance Costs	0.045	0.7%	0.043	4.9%	0.041	16.5%	0.048	40.5%	0.059	14.7%
Parts and Supplies	0.019	1.9%	0.018	0.8%	0.017	1.0%	0.017	0.4%	0.015	1.2%
Replacement Costs	0.008	0.7%	0.008	1.0%	0.007	-0.7%	0.007	1.4%	0.006	1.0%
All Items		**7.2%**		**7.9%**		**-0.6%**		**16.2%**		**6.9%**

2005		2006		2007		2008		2009		2010	
Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative
0.283	1.2%	0.271	7.8%	0.271	5.8%	0.273	0.3%	0.254	11.7%	0.273	10.1%
0.147	3.5%	0.144	2.5%	0.136	8.1%	0.140	4.0%	0.135	2.9%	0.134	3.1%
0.098	20.0%	0.111	22.8%	0.127	0.5%	0.121	37.4%	0.154	-10.1%	0.133	0.5%
0.146	8.4%	0.150	7.9%	0.150	6.3%	0.152	8.9%	0.153	10.9%	0.164	-1.7%
0.133	4.5%	0.132	5.9%	0.129	5.6%	0.130	4.6%	0.126	2.8%	0.124	2.3%
0.076	4.0%	0.075	6.5%	0.074	6.9%	0.075	5.3%	0.073	4.1%	0.073	4.1%
0.091	8.9%	0.094	2.5%	0.089	1.9%	0.087	2.3%	0.083	-2.9%	0.077	-2.0%
0.017	2.6%	0.017	5.5%	0.016	3.0%	0.016	2.3%	0.015	2.6%	0.015	1.7%
0.007	3.1%	0.007	4.5%	0.007	1.6%	0.007	4.0%	0.006	6.1%	0.007	0.9%
			0								
	5.8%		**7.8%**		**5.1%**		**7.8%**		**4.0%**		**3.4%**
0.195	1.3%	0.185	8.6%	0.185	6.1%	0.188	1.7%	0.175	12.9%	0.191	10.5%
0.129	3.5%	0.125	2.5%	0.118	7.3%	0.121	4.2%	0.116	3.0%	0.115	3.0%
0.122	20.9%	0.138	21.9%	0.155	1.3%	0.150	36.0%	0.187	-9.5%	0.163	-1.2%
0.171	8.4%	0.173	9.6%	0.175	5.3%	0.176	8.1%	0.175	12.1%	0.189	-3.9%
0.162	4.5%	0.159	5.9%	0.155	5.7%	0.156	4.7%	0.150	2.8%	0.149	2.5%
0.070	3.8%	0.068	6.1%	0.066	6.6%	0.067	5.2%	0.065	4.0%	0.065	3.9%
0.121	8.9%	0.123	2.5%	0.116	1.9%	0.113	2.3%	0.106	-2.9%	0.100	-2.0%
0.020	2.6%	0.019	5.4%	0.019	3.1%	0.018	2.3%	0.017	2.7%	0.017	1.7%
0.011	3.1%	0.011	4.6%	0.010	1.5%	0.010	4.0%	0.010	6.1%	0.010	0.9%
	6.8%		**8.4%**		**4.7%**		**9.1%**		**3.4%**		**1.9%**
0.368	1.1%	0.355	6.6%	0.353	5.4%	0.353	-1.7%	0.327	10.0%	0.346	9.5%
0.177	3.5%	0.175	2.5%	0.167	9.0%	0.173	3.7%	0.169	2.8%	0.167	3.3%
0.076	16.3%	0.084	26.2%	0.099	-2.8%	0.092	43.1%	0.123	-12.7%	0.104	7.2%
0.120	8.9%	0.124	7.8%	0.125	6.3%	0.127	9.3%	0.130	9.4%	0.137	-2.4%
0.091	4.3%	0.091	5.9%	0.089	5.4%	0.090	4.5%	0.088	2.7%	0.087	1.9%
0.087	4.2%	0.086	6.9%	0.086	7.3%	0.087	5.4%	0.087	4.2%	0.087	4.3%
0.063	8.9%	0.065	2.5%	0.062	1.9%	0.060	2.3%	0.058	-2.9%	0.054	-2.0%
0.014	2.6%	0.014	5.6%	0.013	3.0%	0.013	2.2%	0.012	2.5%	0.012	1.7%
0.006	3.0%	0.006	4.3%	0.006	1.7%	0.005	3.9%	0.005	5.9%	0.005	1.0%
	4.7%		**7.4%**		**5.2%**		**6.2%**		**3.9%**		**4.7%**

C.1 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2008) per Apartment per Month by Building Size and Location, Structures Built Before 1947

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$174**	**$70**	**$122**	**$47**	**$27**	**$122**	**$85**	**$42**	**$67**	**$759**
11-19 units	$195	$61	$130	$48	$30	$128	$93	$48	$81	$814
20-99 units	$157	$61	$124	$48	$25	$119	$81	$42	$63	$719
100+ units	$290	$176	$92	$41	$42	$138	$109	$36	$82	$1,006
Bronx	$99	$58	$135	$51	$25	$111	$66	$44	$51	$640
11-19 units	$105	$65	$154	$52	$30	$111	$69	$54	$66	$704
20-99 units	$98	$56	$133	$52	$24	$110	$66	$44	$51	$635
100+ units	$102	$73	$124	$49	$27	$124	$69	$36	$35	$638
Brooklyn	$127	$48	$117	$45	$23	$107	$71	$41	$58	$638
11-19 units	$137	$48	$124	$45	$24	$121	$78	$42	$65	$685
20-99 units	$123	$46	$116	$45	$23	$104	$69	$41	$56	$623
100+ units	$132	$72	$98	$44	$26	$100	$78	$33	$49	$632
Manhattan	$270	$100	$120	$47	$34	$148	$115	$44	$89	$966
11-19 units	$285	$73	$131	$51	$38	$147	$121	$52	$103	$1,000
20-99 units	$240	$80	$124	$47	$29	$145	$109	$43	$81	$898
100+ units	$396	$239	$81	$38	$54	$159	$136	$37	$108	$1,249
Queens	$157	$57	$113	$44	$21	$106	$69	$38	$58	$663
11-19 units	$147	$52	$123	$42	$19	$102	$59	$43	$63	$650
20-99 units	$157	$52	$112	$44	$21	$106	$71	$37	$57	$657
100+ units	$184	$117	$103	$43	$21	$114	$68	$33	$59	$743
Core Man	$358	$117	$102	$42	$38	$155	$132	$43	$103	$1,089
11-19 units	$349	$73	$119	$49	$37	$158	$133	$51	$114	$1,082
20-99 units	$331	$84	$103	$41	$31	$153	$126	$42	$93	$1,004
100+ units	$441	$264	$77	$38	$58	$159	$147	$37	$118	$1,338
Upper Man	$159	$79	$143	$52	$30	$138	$94	$44	$72	$812
11-19 units	$167	$73	$153	$56	$39	$128	$100	$52	$82	$850
20-99 units	$155	$76	$144	$52	$28	$139	$94	$43	$71	$802
100+ units	$200	$131	$98	$42	$33	$161	$85	$38	$64	$852
City w/o Core	$129	$59	$127	$48	$25	$114	$74	$42	$59	$677
11-19 units	$140	$56	$134	$48	$27	$118	$78	$46	$69	$716
20-99 units	$125	$57	$127	$49	$24	$113	$73	$42	$57	$668
100+ units	$152	$95	$105	$45	$28	$120	$74	$35	$50	$703

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.2 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2008) per Apartment per Month by Building Size and Location, Structures Built After 1946

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$226**	**$126**	**$99**	**$42**	**$46**	**$109**	**$94**	**$36**	**$77**	**$855**
11-19 units	$154	$75	$91	$43	$41	$125	$95	$45	$89	$757
20-99 units	$162	$77	$101	$43	$39	$101	$82	$37	$60	$701
100+ units	$300	$182	$98	$41	$54	$115	$106	$34	$93	$1,023
Bronx	$114	$80	$108	$46	$44	$94	$72	$37	$53	$648
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$113	$70	$110	$47	$39	$93	$74	$39	$51	$634
100+ units	$123	$98	$107	$43	$50	$93	$70	$32	$54	$670
Brooklyn	$147	$88	$94	$41	$37	$98	$83	$36	$66	$690
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$144	$75	$97	$43	$36	$97	$89	$37	$70	$689
100+ units	$154	$122	$91	$38	$41	$97	$72	$34	$58	$708
Manhattan	$462	$239	$102	$39	$61	$141	$152	$40	$134	$1,370
11-19 units	$225	$94	$112	$43	$68	$150	$167	$54	$144	$1,056
20-99 units	$296	$110	$100	$37	$41	$134	$114	$39	$69	$941
100+ units	$524	$287	$101	$39	$67	$142	$162	$39	$153	$1,513
Queens	$176	$97	$95	$44	$44	$102	$73	$33	$56	$719
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$171	$75	$98	$43	$41	$100	$71	$34	$53	$685
100+ units	$185	$124	$92	$45	$49	$102	$74	$29	$56	$757
St. Island	$156	$96	$89	$34	$24	$90	$58	$39	$73	$659
Core Man	$554	$263	$97	$37	$61	$148	$163	$39	$129	$1,491
11-19 units	$410	$79	$113	$41	$52	$172	$146	$58	$119	$1,189
20-99 units	$380	$122	$85	$32	$41	$140	$131	$36	$78	$1,046
100+ units	$597	$300	$99	$38	$66	$148	$170	$39	$140	$1,597
Upper Man	$165	$163	$116	$46	$61	$120	$117	$42	$148	$979
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$168	$91	$123	$45	$43	$125	$88	$44	$54	$781
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$152	$95	$99	$44	$43	$100	$78	$35	$65	$711
11-19 units	$125	$74	$88	$43	$40	$119	$89	$43	$85	$706
20-99 units	$146	$74	$102	$44	$39	$99	$78	$37	$59	$677
100+ units	$164	$128	$97	$43	$49	$100	$77	$33	$71	$760

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.3 Cross-Sectional Income and Expense Study, Estimated Average Rent, Income and Costs (2008) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,148**	**$1,266**	**$855**	**$947**	**$1,064**	**$759**	**$1,012**	**$1,129**	**$790**
11-19 units	$968	$1,087	$757	$953	$1,133	$814	$955	$1,128	$808
20-99 units	$930	$993	$701	$898	$992	$719	$906	$992	$715
100+ units	$1,390	$1,564	$1,023	$1,371	$1,566	$1,006	$1,385	$1,564	$1,018
Bronx	$817	$874	$648	$718	$789	$640	$743	$811	$642
11-19 units	-	-	-	$689	$795	$704	$687	$795	$703
20-99 units	$821	$865	$634	$717	$786	$635	$727	$794	$635
100+ units	$832	$897	$670	$799	$856	$638	$814	$874	$653
Brooklyn	$892	$949	$690	$806	$854	$638	$833	$883	$654
11-19 units	-	-	-	$834	$899	$685	$834	$899	$683
20-99 units	$885	$932	$689	$792	$833	$623	$801	$843	$629
100+ units	$912	$992	$708	$875	$933	$632	$898	$970	$680
Manhattan	$1,928	$2,225	$1,370	$1,236	$1,460	$966	$1,404	$1,646	$1,064
11-19 units	$1,450	$1,674	$1,056	$1,168	$1,503	$1,000	$1,185	$1,513	$1,003
20-99 units	$1,364	$1,529	$941	$1,156	$1,335	$898	$1,176	$1,354	$902
100+ units	$2,120	$2,459	$1,513	$1,715	$2,007	$1,249	$1,972	$2,293	$1,416
Queens	$955	$1,021	$719	$895	$937	$663	$927	$982	$694
11-19 units	-	-	-	$820	$871	$650	$829	$884	$658
20-99 units	$911	$971	$685	$900	$938	$657	$903	$946	$663
100+ units	$1,011	$1,080	$757	$983	$1,046	$743	$1,004	$1,071	$753
St. Island	$858	$929	$659	-	-	-	$864	$929	$659
Core Man	$2,124	$2,476	$1,491	$1,494	$1,792	$1,089	$1,687	$2,001	$1,212
11-19 units	$1,507	$1,892	$1,189	$1,328	$1,748	$1,082	$1,332	$1,752	$1,085
20-99 units	$1,621	$1,820	$1,046	$1,431	$1,668	$1,004	$1,444	$1,679	$1,007
100+ units	$2,253	$2,637	$1,597	$1,858	$2,190	$1,338	$2,097	$2,461	$1,494
Upper Man	$1,295	$1,415	$979	$913	$1,046	$812	$969	$1,100	$837
11-19 units	-	-	-	$877	$1,056	$850	$884	$1,062	$851
20-99 units	$970	$1,084	$781	$908	$1,034	$802	$910	$1,035	$801
100+ units	-	-	-	$1,082	$1,192	$852	$1,242	$1,360	$955
City w/o Core	$920	$985	$706	$816	$892	$685	$850	$922	$692
11-19 units	$893	$972	$704	$819	$919	$727	$822	$921	$726
20-99 units	$876	$931	$674	$809	$881	$676	$816	$886	$676
100+ units	$986	$1,062	$752	$916	$984	$701	$959	$1,032	$733

Notes: City, borough totals and building size categories are weighted. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island and Upper Manhattan, as well as 20-99 unit buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.4 Cross-Sectional Income and Expense Study, Estimated Median Rent, Income and Costs (2008) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$941**	**$1,001**	**$725**	**$845**	**$910**	**$685**	**$857**	**$924**	**$688**
11-19 units	$926	$991	$733	$906	$1,050	$771	$907	$1,047	$770
20-99 units	$888	$936	$664	$828	$878	$659	$834	$885	$660
100+ units	$1,036	$1,115	$850	$974	$1,047	$740	$1,008	$1,105	$825
Bronx	$806	$848	$615	$714	$775	$609	$722	$784	$609
11-19 units	-	-	-	$662	$744	$676	$657	$741	$674
20-99 units	$806	$844	$607	$717	$775	$603	$724	$783	$604
100+ units	$827	$874	$657	$804	$867	$634	$820	$874	$637
Brooklyn	$865	$931	$648	$772	$811	$599	$784	$822	$603
11-19 units	-	-	-	$761	$819	$634	$763	$821	$632
20-99 units	$855	$905	$641	$773	$806	$586	$782	$814	$593
100+ units	$919	$1,000	$688	$856	$903	$611	$884	$965	$642
Manhattan	$1,601	$1,871	$1,143	$1,116	$1,298	$848	$1,142	$1,328	$865
11-19 units	$1,327	$1,584	$1,046	$1,180	$1,450	$927	$1,182	$1,451	$930
20-99 units	$1,395	$1,517	$897	$1,070	$1,209	$807	$1,088	$1,224	$810
100+ units	$2,071	$2,444	$1,493	$1,537	$1,794	$1,154	$1,871	$2,203	$1,354
Queens	$947	$995	$696	$879	$901	$629	$899	$935	$643
11-19 units	-	-	-	$824	$851	$602	$827	$859	$608
20-99 units	$908	$958	$646	$897	$921	$631	$898	$928	$635
100+ units	$976	$1,029	$766	$974	$998	$726	$975	$1,022	$751
St. Island	$788	$848	$604	-	-	-	$805	$902	$618
Core Man	$1,786	$2,088	$1,234	$1,359	$1,562	$934	$1,381	$1,589	$962
11-19 units	$1,374	$1,877	$1,062	$1,308	$1,609	$990	$1,310	$1,611	$991
20-99 units	$1,530	$1,644	$961	$1,368	$1,516	$882	$1,376	$1,521	$887
100+ units	$2,143	$2,528	$1,557	$1,812	$2,112	$1,286	$2,016	$2,338	$1,436
Upper Man	$982	$1,054	$840	$825	$913	$725	$829	$917	$727
11-19 units	-	-	-	$770	$892	$747	$780	$910	$747
20-99 units	$917	$946	$714	$832	$913	$721	$836	$914	$720
100+ units	-	-	-	$982	$1,079	$745	$993	$1,098	$845
City w/o Core	$883	$937	$662	$777	$826	$630	$790	$838	$634
11-19 units	$862	$920	$613	$759	$826	$661	$763	$830	$660
20-99 units	$856	$903	$636	$778	$822	$623	$786	$830	$624
100+ units	$947	$1,001	$730	$869	$924	$647	$923	$980	$696

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island and Upper Manhattan, as well as 20-99 unit buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.5 Cross-Sectional Income and Expense Study, Average Net Operating Income in 2008 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All
Citywide	$411	$305	$339
11-19 units	$330	$319	$321
20-99 units	$292	$273	$277
100+ units	$541	$559	$546
Bronx	$226	$149	$168
11-19 units	-	$91	$92
20-99 units	$231	$151	$159
100+ units	$227	$218	$221
Brooklyn	$259	$216	$229
11-19 units	-	$214	$216
20-99 units	$243	$210	$214
100+ units	$284	$301	$290
Manhattan	$855	$494	$582
11-19 units	$619	$503	$510
20-99 units	$588	$437	$452
100+ units	$947	$758	$877
Queens	$301	$274	$289
11-19 units	-	$221	$226
20-99 units	$286	$281	$283
100+ units	$323	$303	$318
St. Island	$270	-	$270

	Post-46	Pre-47	All
Core Man	$985	$703	$789
11-19 units	$703	$666	$667
20-99 units	$774	$664	$672
100+ units	$1,040	$852	$967
Upper Man	$436	$234	$264
11-19 units	-	$206	$211
20-99 units	$303	$232	$234
100+ units	-	$340	$405
City w/o Core	$279	$207	$230
11-19 units	$268	$192	$195
20-99 units	$257	$205	$210
100+ units	$310	$283	$299

Notes: City, borough totals and building size categories are weighted. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island and Upper Manhattan, as well as 20-99 unit buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.6 Cross-Sectional Distribution of Operating Costs in 2008, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
Pre-47	23.0%	16.1%	9.3%	11.2%	9.8%	16.1%	8.9%	5.6%	100.0%
11-19 units	24.0%	15.8%	7.4%	11.4%	9.6%	16.0%	10.0%	5.8%	100.0%
20-99 units	21.8%	16.6%	8.5%	11.3%	10.1%	17.2%	8.7%	5.8%	100.0%
100+ units	28.8%	13.8%	17.5%	10.8%	8.3%	9.1%	8.2%	3.6%	100.0%
Post-46	26.4%	12.7%	14.7%	11.0%	10.3%	11.6%	9.0%	4.2%	100.0%
11-19 units	20.4%	16.5%	9.9%	12.6%	11.1%	12.0%	11.7%	5.9%	100.0%
20-99 units	23.1%	14.4%	11.0%	11.6%	11.7%	14.4%	8.5%	5.2%	100.0%
100+ units	29.3%	11.2%	17.8%	10.4%	9.3%	9.5%	9.1%	3.4%	100.0%
All Bldgs.	24.2%	15.0%	11.2%	11.1%	10.0%	14.5%	8.9%	5.1%	100.0%
11-19 units	23.6%	15.9%	7.7%	11.5%	9.8%	15.6%	10.1%	5.9%	100.0%
20-99 units	22.1%	16.1%	9.1%	11.4%	10.5%	16.5%	8.7%	5.7%	100.0%
100+ units	29.2%	11.9%	17.7%	10.5%	9.0%	9.4%	8.8%	3.4%	100.0%

Source: NYC Department of Finance, RPIE Filings.

C.7 Cross-Sectional Distribution of "Distressed" Buildings, 2008 RPIE Filings

	Citywide	Bronx	Brooklyn	Manhattan	Queens	St. Island	Core Man	Upper Man
Pre-47								
11-19 units	601	102	144	309	44	2	144	165
20-99 units	1,118	345	252	454	67	-	132	322
100+ units	14	5	2	6	1	-	3	3
All	1,733	452	398	769	112	2	279	490
Post-46								
11-19 units	16	4	-	3	6	3	3	-
20-99 units	76	26	17	13	18	2	7	6
100+ units	28	4	8	10	6	-	8	2
All	120	34	25	26	30	5	18	8
All Bldgs.								
11-19 units	617	106	144	312	50	5	147	165
20-99 units	1,194	371	269	467	85	2	139	328
100+ units	42	9	10	16	7	-	11	5
All	1,853	486	423	795	142	7	297	498

Source: NYC Department of Finance, RPIE Filings.

C.8 Cross-Sectional Sample, 2008 RPIE Filings

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,650**	**181,896**	**12,806**	**477,898**	**14,458**	**659,831**
11-19 units	115	1,668	3,478	52,610	3,594	54,292
20-99 units	943	55,021	8,956	358,102	9,900	413,146
100+ units	592	125,207	372	67,186	964	192,393
Bronx	304	24,923	2,714	117,148	3,018	142,071
11-19 units	11	159	331	4,973	342	5,132
20-99 units	232	14,001	2,310	102,300	2,542	116,301
100+ units	61	10,763	73	9,875	134	20,638
Brooklyn	346	33,864	2,910	106,704	3,258	140,605
11-19 units	15	221	807	12,208	823	12,443
20-99 units	227	14,277	2,042	87,089	2,270	101,389
100+ units	104	19,366	61	7,407	165	26,773
Manhattan	474	69,966	5,956	203,822	6,430	273,788
11-19 units	42	617	2,003	30,183	2,045	30,800
20-99 units	199	10,145	3,776	132,898	3,975	143,043
100+ units	233	59,204	177	40,741	410	99,945
Queens	473	49,334	1,209	49,528	1,682	98,862
11-19 units	32	464	330	5,138	362	5,602
20-99 units	260	15,540	820	35,437	1,080	50,977
100+ units	181	33,330	59	8,953	240	42,283
St. Island	53	3,809	17	696	70	4,505
11-19 units	15	207	7	108	22	315
20-99 units	25	1,058	8	378	33	1,436
100+ units	13	2,544	2	210	15	2,754
Core Man	394	58,959	3,648	121,489	4,042	180,448
11-19 units	35	518	1,473	22,123	1,508	22,641
20-99 units	153	7,696	2,041	64,792	2,194	72,488
100+ units	206	50,745	134	34,574	340	85,319
Upper Man	80	11,007	2,308	82,333	2,388	93,340
11-19 units	7	99	530	8,060	537	8,159
20-99 units	46	2,449	1,735	68,106	1,781	70,555
100+ units	27	8,459	43	6,167	70	14,626

Source: NYC Department of Finance, RPIE Filings.

C.9 Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2007-2008) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**6.4%**	**6.5%**	**6.4%**	**5.5%**	**6.1%**	**6.5%**	**5.8%**	**6.2%**	**6.4%**
11-19 units	6.9%	7.3%	5.2%	4.7%	5.4%	5.3%	4.9%	5.6%	5.3%
20-99 units	4.9%	5.1%	5.5%	5.6%	6.1%	7.0%	5.4%	5.9%	6.6%
100+ units	7.5%	7.4%	7.0%	6.0%	6.7%	5.1%	7.1%	7.2%	6.5%
Bronx	5.0%	5.4%	4.2%	5.6%	6.3%	6.9%	5.4%	6.0%	6.2%
11-19 units	-	-	-	8.2%	8.1%	5.4%	6.1%	6.8%	4.4%
20-99 units	4.8%	4.8%	4.1%	5.4%	6.2%	7.1%	5.3%	5.9%	6.5%
100+ units	6.4%	7.1%	5.0%	4.6%	5.2%	5.4%	6.0%	6.6%	5.1%
Brooklyn	4.6%	5.1%	5.4%	4.7%	5.5%	5.5%	4.7%	5.4%	5.5%
11-19 units	-	-	-	5.1%	6.4%	6.5%	5.4%	6.6%	6.4%
20-99 units	4.3%	4.7%	5.9%	4.6%	5.3%	5.5%	4.5%	5.1%	5.6%
100+ units	4.7%	5.4%	4.4%	3.6%	4.1%	1.6%	4.4%	5.1%	3.7%
Manhattan	8.7%	8.2%	8.0%	5.8%	6.3%	6.7%	6.8%	6.9%	7.1%
11-19 units	16.1%	12.9%	3.6%	3.9%	4.6%	4.9%	4.7%	5.2%	4.8%
20-99 units	5.9%	6.0%	5.9%	6.2%	6.5%	7.7%	6.1%	6.5%	7.5%
100+ units	9.1%	8.5%	8.6%	6.7%	7.4%	5.5%	8.3%	8.1%	7.6%
Queens	5.2%	5.3%	5.8%	5.5%	5.7%	6.3%	5.3%	5.5%	6.0%
11-19 units	-	-	-	4.4%	5.0%	4.2%	4.1%	5.1%	5.4%
20-99 units	5.1%	5.2%	5.9%	5.8%	5.9%	6.7%	5.5%	5.6%	6.3%
100+ units	5.4%	5.5%	5.5%	4.3%	4.9%	6.4%	5.2%	5.4%	5.6%
Staten Island	4.2%	4.1%	5.4%	-	-	-	4.6%	4.3%	5.2%
Core Manhattan	6.2%	6.1%	6.5%	6.0%	6.4%	7.1%	6.1%	6.3%	6.8%
11-19 units	-	-	-	4.9%	5.3%	5.5%	4.8%	5.1%	5.4%
20-99 units	8.6%	9.2%	8.0%	6.1%	6.5%	8.4%	6.5%	6.8%	8.4%
100+ units	5.9%	5.7%	6.4%	6.7%	7.4%	5.6%	6.1%	6.2%	6.1%
Upper Manhattan	24.7%	22.3%	16.0%	5.5%	6.0%	6.2%	8.7%	8.7%	7.8%
11-19 units	-	-	-	1.1%	2.9%	3.5%	4.5%	5.2%	3.5%
20-99 units	-0.4%	-1.4%	1.8%	6.2%	6.6%	6.9%	5.7%	5.9%	6.5%
100+ units	-	-	-	6.6%	7.4%	4.2%	27.0%	25.7%	18.4%
All City w/o Core	6.6%	6.7%	6.3%	5.3%	5.9%	6.2%	5.7%	6.2%	6.2%
11-19 units	7.9%	8.4%	5.4%	4.5%	5.6%	5.2%	5.0%	6.0%	5.3%
20-99 units	4.5%	4.6%	5.3%	5.4%	6.0%	6.6%	5.2%	5.6%	6.2%
100+ units	9.2%	9.3%	7.7%	4.8%	5.4%	4.2%	8.2%	8.5%	7.0%

Notes: City, borough totals and building size categories are weighted. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings in Upper Manhattan and Staten Island were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.10 Longitudinal Income and Expense Study, Estimated Median Rent, Income and Costs Changes (2007-2008) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**5.2%**	**5.6%**	**5.5%**	**4.6%**	**5.7%**	**6.2%**	**4.8%**	**5.6%**	**6.2%**
11-19 units	7.4%	6.6%	3.8%	4.7%	4.5%	5.6%	5.0%	5.2%	5.4%
20-99 units	5.1%	5.3%	5.7%	5.1%	5.5%	5.9%	5.2%	5.5%	5.8%
100+ units	5.8%	4.8%	6.6%	5.7%	4.7%	6.2%	5.9%	4.8%	7.4%
Bronx	4.3%	5.2%	4.8%	5.4%	6.0%	6.0%	4.9%	5.8%	5.9%
11-19 units	-	-	-	8.7%	4.3%	5.6%	8.0%	4.1%	5.3%
20-99 units	3.8%	4.7%	5.4%	5.2%	6.1%	6.7%	5.0%	5.8%	6.7%
100+ units	6.9%	6.1%	2.4%	2.9%	5.9%	7.4%	7.2%	6.6%	6.2%
Brooklyn	4.3%	4.8%	5.4%	4.1%	4.5%	6.2%	4.6%	4.5%	5.8%
11-19 units	-	-	-	3.1%	4.8%	8.5%	3.3%	4.9%	8.1%
20-99 units	3.9%	4.6%	7.1%	4.6%	4.5%	4.9%	4.4%	4.3%	4.8%
100+ units	5.6%	4.6%	5.5%	2.2%	5.0%	-0.3%	4.8%	6.4%	0.8%
Manhattan	5.8%	9.0%	9.5%	5.6%	5.4%	7.6%	5.6%	6.0%	7.7%
11-19 units	10.9%	8.6%	5.6%	5.0%	5.5%	8.1%	5.4%	5.5%	8.2%
20-99 units	6.9%	7.1%	6.9%	5.1%	6.1%	7.4%	5.3%	6.2%	7.2%
100+ units	6.8%	9.6%	10.2%	9.2%	7.3%	6.4%	9.3%	10.4%	7.1%
Queens	5.2%	5.1%	6.0%	4.7%	4.7%	5.2%	5.0%	6.4%	4.4%
11-19 units	-	-	-	4.2%	4.1%	3.2%	3.1%	4.5%	2.7%
20-99 units	5.1%	6.1%	3.9%	5.1%	6.2%	5.3%	5.0%	6.4%	4.8%
100+ units	4.7%	3.9%	6.3%	4.8%	3.4%	8.1%	4.8%	3.6%	5.7%
Staten Island	0.1%	-0.2%	6.7%	-	-	-	1.8%	2.1%	5.1%
Core Manhattan	6.6%	6.8%	5.5%	5.8%	6.0%	9.0%	5.8%	5.5%	9.1%
11-19 units	-	-	-	6.1%	5.9%	8.1%	6.1%	5.9%	8.0%
20-99 units	8.9%	8.5%	8.4%	5.7%	6.1%	8.9%	5.8%	6.2%	8.2%
100+ units	4.1%	5.9%	6.0%	8.0%	7.6%	4.7%	5.9%	6.8%	5.4%
Upper Manhattan	11.5%	8.3%	10.0%	5.1%	5.8%	6.5%	5.0%	5.4%	6.6%
11-19 units	-	-	-	2.4%	3.4%	4.1%	3.3%	4.4%	4.1%
20-99 units	4.8%	1.5%	8.3%	5.9%	6.3%	7.5%	5.8%	6.2%	7.5%
100+ units	-	-	-	7.9%	5.8%	8.4%	9.2%	6.0%	10.0%
All City w/o Core	5.0%	5.2%	5.4%	4.8%	5.2%	5.9%	5.1%	5.5%	5.9%
11-19 units	6.4%	11.4%	4.1%	3.8%	4.5%	6.3%	3.6%	4.8%	6.4%
20-99 units	4.5%	5.2%	4.9%	5.0%	5.3%	6.0%	5.0%	5.3%	6.0%
100+ units	4.6%	4.9%	4.4%	5.6%	5.8%	3.9%	5.7%	5.3%	5.3%

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings in Upper Manhattan and Staten Island were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.11 Longitudinal Income and Expense Study, Av. Net Operating Income Changes (2007-2008) by Bldg. Size & Location

	Post-46	Pre-47	All
Citywide	**6.8%**	**5.2%**	**5.8%**
11-19 units	12.9%	5.7%	6.4%
20-99 units	4.2%	4.1%	4.1%
100+ units	8.0%	9.5%	8.4%
Bronx	8.9%	3.8%	5.4%
11-19 units	-	30.8%	26.8%
20-99 units	6.6%	2.6%	3.6%
100+ units	13.7%	4.4%	11.5%
Brooklyn	4.3%	5.4%	5.0%
11-19 units	-	6.3%	7.1%
20-99 units	1.3%	4.7%	3.7%
100+ units	7.9%	9.4%	8.3%
Manhattan	8.5%	5.6%	6.6%
11-19 units	32.1%	4.1%	5.8%
20-99 units	6.1%	4.4%	4.6%
100+ units	8.3%	10.6%	9.1%
St. Island	1.0%	-	2.2%

	Post-46	Pre-47	All
Queens	4.2%	4.4%	4.3%
11-19 units	-	7.4%	4.3%
20-99 units	3.7%	4.3%	4.0%
100+ units	5.3%	1.6%	4.8%
Core Manhattan	5.4%	5.5%	5.5%
11-19 units	-	4.9%	4.7%
20-99 units	10.8%	3.8%	4.7%
100+ units	4.6%	10.1%	6.4%
Upper Manhattan	39.9%	5.6%	11.5%
11-19 units	-	0.4%	11.2%
20-99 units	-8.5%	5.7%	4.2%
100+ units	-	14.8%	46.7%
All City w/o Core	7.9%	4.9%	6.0%
11-19 units	17.2%	6.7%	8.3%
20-99 units	3.0%	4.2%	3.9%
100+ units	13.6%	7.9%	12.3%

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.12 Longitudinal Income and Expense Study, Median Net Operating Income Changes (2007-2008) by Building Size and Location

	Post-46	Pre-47	All
Citywide	**6.0%**	**4.4%**	**4.2%**
11-19 units	17.1%	2.0%	4.4%
20-99 units	4.4%	4.1%	4.9%
100+ units	-0.7%	1.5%	-2.1%
Bronx	6.2%	6.0%	5.2%
11-19 units	-	-7.1%	-7.5%
20-99 units	2.9%	4.0%	3.3%
100+ units	18.6%	2.1%	7.7%
Brooklyn	3.6%	0.0%	1.3%
11-19 units	-	-5.9%	-4.5%
20-99 units	-0.7%	3.2%	3.1%
100+ units	2.6%	17.8%	19.3%
Manhattan	8.4%	1.7%	3.1%
11-19 units	14.7%	1.3%	1.2%
20-99 units	7.4%	3.6%	4.4%
100+ units	8.6%	8.8%	15.9%
St. Island	-14.8%	-	-4.3%

	Post-46	Pre-47	All
Queens	2.7%	3.7%	11.0%
11-19 units	-	6.9%	9.1%
20-99 units	10.9%	8.0%	9.7%
100+ units	-2.6%	-7.3%	-1.8%
Core Manhattan	8.7%	1.9%	0.3%
11-19 units	-	2.5%	2.8%
20-99 units	8.7%	2.5%	3.5%
100+ units	5.9%	12.4%	9.3%
Upper Manhattan	2.7%	3.5%	1.5%
11-19 units	-	0.0%	5.5%
20-99 units	-13.2%	1.9%	1.9%
100+ units	-	-	-4.7%
All City w/o Core	4.8%	3.0%	4.3%
11-19 units	31.8%	-1.7%	0.0%
20-99 units	5.7%	3.5%	3.3%
100+ units	6.3%	10.4%	5.6%

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Queens, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.13 Longitudinal Sample, 2007 & 2008 RPIE Filings

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,420**	**161,570**	**10,671**	**408,756**	**12,092**	**570,349**
11-19 units	93	1,358	2,749	41,621	2,842	42,979
20-99 units	803	47,250	7,599	307,425	8,403	354,698
100+ units	524	112,962	323	59,710	847	172,672
Bronx	246	20,359	2,258	98,206	2,504	118,565
11-19 units	9	131	248	3,738	257	3,869
20-99 units	189	11,449	1,951	86,929	2,140	98,378
100+ units	48	8,779	59	7,539	107	16,318
Brooklyn	285	29,102	2,369	89,809	2,655	118,934
11-19 units	10	147	614	9,297	624	9,444
20-99 units	186	11,915	1,704	74,345	1,891	86,283
100+ units	89	17,040	51	6,167	140	23,207
Manhattan	419	62,868	5,000	177,309	5,419	240,177
11-19 units	38	562	1,617	24,367	1,655	24,929
20-99 units	179	9,262	3,222	114,885	3,401	124,147
100+ units	202	53,044	161	38,057	363	91,101
Queens	426	45,633	1,032	42,925	1,458	88,558
11-19 units	25	364	266	4,155	291	4,519
20-99 units	229	13,714	715	30,930	944	44,644
100+ units	172	31,555	51	7,840	223	39,395
St. Island	44	3,608	12	507	56	4,115
11-19 units	11	154	4	64	15	218
20-99 units	20	910	7	336	27	1,246
100+ units	13	2,544	1	107	14	2,651
Core Manhattan	348	52,606	3,160	108,879	3,508	161,485
11-19 units	32	477	1,228	18,431	1,260	18,908
20-99 units	137	7,005	1,810	57,918	1,947	64,923
100+ units	179	45,124	122	32,530	301	77,654
Upper Manhattan	71	10,262	1,840	68,430	1,911	78,692
11-19 units	6	85	389	5,936	395	6,021
20-99 units	42	2,257	1,412	56,967	1,454	59,224
100+ units	23	7,920	39	5,527	62	13,447

Source: NYC Department of Finance, RPIE Filings.

D.1 Occupancy Status

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,327,078[@]			
Number of Units (occupied and vacant, available)	3,190,272	1,045,818	2,144,454	1,023,248
Occupied Units	3,101,300	1,019,345	2,081,955	1,001,216
Bronx	479,991	106,583	373,408	218,799
Brooklyn	904,188	255,938	648,250	273,844
Manhattan	761,554	183,036	578,518	296,829
Queens	791,037	361,713	429,324	203,371
Staten Island	164,530	112,075	52,455	8,373
Vacant Units	225,778			
Vacant, for rent or sale	88,972	26,473	62,499	22,032
Bronx	14,627	2,583	12,044	7,485
Brooklyn	23,520	7,919	15,601	4,907
Manhattan	22,492	6,089	16,403	4,146
Queens	22,058	7,328	14,730	5,345
Staten Island	6,275	2,554	3,721	149
Asking Rent				
<$600	-	-	3,556	1,709
$600-799	-	-	4,278	1,964
$800-999	-	-	8,795	4,109
$1000-1199	-	-	10,750	6,234
$1200-1399	-	-	9,564	3,797
$1400-1599	-	-	6,905	2,365
$1600-1799	-	-	4,036	1,105
$1800-1999	-	-	2,326	193
$2000+	-	-	12,287	554
Vacant, not for rent or sale	136,806	-	-	-
Bronx	14,352	-	-	-
Brooklyn	34,836	-	-	-
Manhattan	54,481	-	-	-
Queens	25,618	-	-	-
Staten Island	7,519	-	-	-
Rented-Not Yet Occupied	8,507	-	-	-
Sold-Not Yet Occupied	6,674	-	-	-
Undergoing Renovation	30,562	-	-	-
Awaiting Renovation	19,701	-	-	-
Non-Residential Use	1,969	-	-	-
Legal Dispute	14,692	-	-	-
Awaiting Conversion	1,205	-	-	-
Held for Occasional Use	37,589	-	-	-
Unable to Rent or Sell	9,818	-	-	-
Held Pending Sale of Building	1,975	-	-	-
Held for Planned Demolition	187	-	-	-
Held for Other Reasons	2,610	-	-	-
(Not Reported)	1,317	-	-	-

[@] All housing units, including owner-occupied, renter-occupied, vacant for rent, vacant for sale, and vacant unavailable.

Appendix D: 2008 Housing and Vacancy Survey, Summary Tables

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Total Number of Units
717,472	305,776	39,901	60,887	185,339	62,937	772,651	Number of Units (occupied and vacant, available)
700,555	300,661	39,901	58,979	183,809	62,108	735,942	Occupied Units
163,486	55,313	3,860	13,529	43,475	18,978	74,767	Bronx
205,247	68,597	10,328	20,439	61,092	17,588	264,959	Brooklyn
230,024	66,805	20,354	14,265	59,597	18,809	168,664	Manhattan
99,867	103,504	5,359	9,585	16,943	6,066	188,000	Queens
1,931	6,442	0	1,161	2,702	667	39,552	Staten Island
Vacant Units							
16,917	5,115	0	1,908	1,530	829	36,709	Vacant, for rent or sale
5,982	1,503	0	616	0	201	3,891	Bronx
4,472	435	0	737	597	575	8,941	Brooklyn
3,636	510	0	204	179	53	12,025	Manhattan
2,678	2,667	0	0	469	0	8,916	Queens
149	0	0	351	285	0	2,936	Staten Island
							Asking Rent
1,709	0	-	0	915	447	485	<$600
1,191	773	-	0	285	166	1,863	$600-799
3,106	1,003	-	679	151	8	3,848	$800-999
5,046	1,188	-	351	0	193	3,972	$1000-1199
2,805	992	-	187	0	0	5,580	$1200-1399
1,739	626	-	0	0	7	4,533	$1400-1599
912	193	-	0	0	0	2,931	$1600-1799
193	0	-	182	179	7	1,765	$1800-1999
216	338	-	0	0	0	11,733	$2000+
-	-	-	-	-	-	-	Vacant, not for rent or sale
-	-	-	-	-	-	-	Bronx
-	-	-	-	-	-	-	Brooklyn
-	-	-	-	-	-	-	Manhattan
-	-	-	-	-	-	-	Queens
-	-	-	-	-	-	-	Staten Island
-	-	-	-	-	-	-	Rented-Not Yet Occupied
-	-	-	-	-	-	-	Sold-Not Yet Occupied
-	-	-	-	-	-	-	Undergoing Renovation
-	-	-	-	-	-	-	Awaiting Renovation
-	-	-	-	-	-	-	Non-Residential Use
-	-	-	-	-	-	-	Legal Dispute
-	-	-	-	-	-	-	Awaiting Conversion
-	-	-	-	-	-	-	Held for Occasional Use
-	-	-	-	-	-	-	Unable to Rent or Sell
-	-	-	-	-	-	-	Held Pending Sale of Building
-	-	-	-	-	-	-	Held for Planned Demolition
-	-	-	-	-	-	-	Held for Other Reasons
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompasses In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompasses dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.1 Occupancy Status (continued)

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,327,078@			
Number of Units (occupied and vacant, available)	3,190,272	32.8%	67.2%	47.7%
Occupied Units	3,101,300	32.9%	67.1%	48.1%
Bronx	15.5%	10.5%	17.9%	21.9%
Brooklyn	29.2%	25.1%	31.1%	27.4%
Manhattan	24.6%	18.0%	27.8%	29.6%
Queens	25.5%	35.5%	20.6%	20.3%
Staten Island	5.3%	11.0%	2.5%	0.8%
Vacant Units	225,778			
Vacant, for rent or sale	88,972	29.8%	70.2%	35.3%
Bronx	16.4%	9.8%	19.3%	34.0%
Brooklyn	26.4%	29.9%	25.0%	22.3%
Manhattan	25.3%	23.0%	26.2%	18.8%
Queens	24.8%	27.7%	23.6%	24.3%
Staten Island	7.1%	9.6%	6.0%	0.7%
Asking Rent				
<$600	-	-	5.7%	7.8%
$600-799	-	-	6.8%	8.9%
$800-999	-	-	14.1%	18.7%
$1000-1199	-	-	17.2%	28.3%
$1200-1399	-	-	15.3%	17.2%
$1400-1599	-	-	11.0%	10.7%
$1600-1799	-	-	6.5%	5.0%
$1800-1999	-	-	3.7%	0.9%
$2000+	-	-	19.7%	2.5%
Vacant, not for rent or sale	136,806			
Bronx	10.5%	-	-	-
Brooklyn	25.5%	-	-	-
Manhattan	39.8%	-	-	-
Queens	18.7%	-	-	-
Staten Island	5.5%	-	-	-
Rented-Not Yet Occupied	6.2%	-	-	-
Sold-Not Yet Occupied	4.9%	-	-	-
Undergoing Renovation	22.3%	-	-	-
Awaiting Renovation	14.4%	-	-	-
Non-Residential Use	1.4%	-	-	-
Legal Dispute	10.7%	-	-	-
Awaiting Conversion	0.9%	-	-	-
Held for Occasional Use	27.5%	-	-	-
Unable to Rent or Sell	7.2%	-	-	-
Held Pending Sale of Building	1.4%	-	-	-
Held for Planned Demolition	0.1%	-	-	-
Held for Other Reasons	1.9%	-	-	-
(Not Reported)	1.0%	-	-	-

@ All housing units, including owner-occupied, renter-occupied, vacant for rent, vacant for sale, and vacant unavailable.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Total Number of Units
70.1%	29.9%	1.9%	1.9%	8.6%	2.9%	36.0%	Number of Units (occupied and vacant, available)
70.0%	30.0%	1.9%	1.9%	8.8%	3.0%	35.3%	Occupied Units
23.3%	18.4%	9.7%	22.9%	23.7%	30.6%	10.2%	Bronx
29.3%	22.8%	25.9%	34.7%	33.2%	28.3%	36.0%	Brooklyn
32.8%	22.2%	51.0%	24.2%	32.4%	30.3%	22.9%	Manhattan
14.3%	34.4%	13.4%	16.3%	9.2%	9.8%	25.5%	Queens
0.3%	2.1%	0.0%	2.0%	1.5%	1.1%	5.4%	Staten Island
							Vacant Units
76.8%	23.2%	0.0%	2.1%	2.4%	1.3%	58.7%	Vacant, for rent or sale
35.4%	29.4%	0.0%	32.3%	0.0%	24.2%	10.6%	Bronx
26.4%	8.5%	0.0%	38.6%	39.0%	69.4%	24.4%	Brooklyn
21.5%	10.0%	0.0%	10.7%	11.7%	6.4%	32.8%	Manhattan
15.8%	52.1%	0.0%	0.0%	30.7%	0.0%	24.3%	Queens
0.9%	0.0%	0.0%	18.4%	18.6%	0.0%	8.0%	Staten Island
							Asking Rent
10.1%	0.0%	-	0.0%	59.8%	54.0%	1.3%	<$600
7.0%	15.1%	-	0.0%	18.6%	20.0%	5.1%	$600-799
18.4%	19.6%	-	48.5%	9.9%	1.0%	10.5%	$800-999
29.8%	23.2%	-	25.1%	0.0%	23.3%	10.8%	$1000-1199
16.6%	19.4%	-	13.4%	0.0%	0.0%	15.2%	$1200-1399
10.3%	12.2%	-	0.0%	0.0%	0.8%	12.3%	$1400-1599
5.4%	3.8%	-	0.0%	0.0%	0.0%	8.0%	$1600-1799
1.1%	0.0%	-	13.0%	11.7%	0.8%	4.8%	$1800-1999
1.3%	6.6%	-	0.0%	0.0%	0.0%	32.0%	$2000+
							Vacant, not for rent or sale
-	-	-	-	-	-	-	Bronx
-	-	-	-	-	-	-	Brooklyn
-	-	-	-	-	-	-	Manhattan
-	-	-	-	-	-	-	Queens
-	-	-	-	-	-	-	Staten Island
-	-	-	-	-	-	-	Rented-Not Yet Occupied
-	-	-	-	-	-	-	Sold-Not Yet Occupied
-	-	-	-	-	-	-	Undergoing Renovation
-	-	-	-	-	-	-	Awaiting Renovation
-	-	-	-	-	-	-	Non-Residential Use
-	-	-	-	-	-	-	Legal Dispute
-	-	-	-	-	-	-	Awaiting Conversion
-	-	-	-	-	-	-	Held for Occasional Use
-	-	-	-	-	-	-	Unable to Rent or Sell
-	-	-	-	-	-	-	Held Pending Sale of Building
-	-	-	-	-	-	-	Held for Planned Demolition
-	-	-	-	-	-	-	Held for Other Reasons
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompasses In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompasses dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.2 Economic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$0-$199	-	-	44,287	5,767
$200-$299	-	-	78,603	12,527
$300-$399	-	-	66,661	21,872
$400-$499	-	-	71,022	30,868
$500-$599	-	-	108,620	48,814
$600-$699	-	-	146,252	94,628
$700-$799	-	-	163,556	101,296
$800-$899	-	-	186,638	119,910
$900-$999	-	-	214,542	138,616
$1000-$1249 -		-	394,171	207,590
$1250-$1499 -		-	184,293	90,533
$1500-$1749	-	-	134,731	56,845
$1750+	-	-	253,176	58,924
(No Cash Rent)	-	-	(35,402)	(13,027)
Mean	-	-	$1,119	$1,008
Mean/Room	-	-	$377	$371
Median	-	-	$950	$925
Median/Room	-	-	$280	$292
Monthly Cost of Electricity				
Mean	$104	$139	$83	$80
Median	$80	$100	$70	$70
Monthly Cost of Utility Gas				
Mean	$118	$200	$51	$38
Median	$50	$150	$30	$30
Monthly Cost of Water/Sewer				
Mean	$67	$68	$55	-
Median	$52	$52	$50	-
Monthly Cost of Other Fuels				
Mean	$245	$253	$138	-
Median	$208	$233	$94	-
Monthly Mortgage Payments				
Mean	-	$2,802	-	-
Median	-	$1,750	-	-
Monthly Insurance Payments				
Mean	-	$100	-	-
Median	-	$75	-	-
Monthly Property Taxes				
Mean	-	$268	-	-
Median	-	$233	-	-

@ All households, including owners and renters.

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Monthly Contract Rent
3,667	2,100	1,876	681	23,693	12,269[o]		$0-$199
8,487	4,041	4,315	3,627	42,490	15,644[o]		$200-$299
17,751	4,121	3,228	3,526	26,938	11,098[o]		$300-$399
24,351	6,517	2,527	4,179	24,356	9,092[o]		$400-$499
38,895	9,919	2,811	5,312	32,656	19,027[o]		$500-$599
70,218	24,409	3,782	3,750	17,480	26,612[o]		$600-$699
72,993	28,303	3,086	7,973	8,382	42,820[o]		$700-$799
88,867	31,043	2,550	7,697	4,198	52,283[o]		$800-$899
96,883	41,733	2,297	4,515	1,633	67,482[o]		$900-$999
139,568	68,022	7,004	11,898	720	166,960[o]		$1000-$1249
57,501	33,032	1,212	3,228	182	89,139[o]		$1250-$1499
35,971	20,873	1,309	1,290	152	75,137[o]		$1500-$1749
35,465	23,459	2,848	1,134	773	189,497[o]		$1750+
(9,939)	(3,088)	(1,057)	(169)	(159)	(20,990)[o]		(No Cash Rent)
$970	$1,096	$833	$817	$424	$1,461[o]		Mean
$358	$402	$253	$265	$123	$457[o]		Mean/Room
$900	$985	$721	$800	$387	$1,200[o]		Median
$282	$309	$200	$218	$105	$300[o]		Median/Room
							Monthly Cost of Electricity
$80	$79	$80	$76	$76	$72	$86	Mean
$70	$70	$65	$70	$65	$60	$74	Median
							Monthly Cost of Utility Gas
$38	$42	$34	$35	$22	$66	$67	Mean
$30	$30	$27	$25	$20	$30	$40	Median
							Monthly Cost of Water/Sewer
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Other Fuels
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Mortgage Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Insurance Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Property Taxes
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

[o] Separate contract rent figures cannot be run for "Other Regulated" and "Other Rentals" households. The households receiving assistance for these two categories are reported together.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$0-$199	-	-	2.2%	0.6%
$200-$299	-	-	3.8%	1.3%
$300-$399	-	-	3.3%	2.2%
$400-$499	-	-	3.5%	3.1%
$500-$599	-	-	5.3%	4.9%
$600-$699	-	-	7.1%	9.6%
$700-$799	-	-	8.0%	10.3%
$800-$899	-	-	9.1%	12.1%
$900-$999	-	-	10.5%	14.0%
$1000-$1249	-	-	19.3%	21.0%
$1250-$1499	-	-	9.0%	9.2%
$1500-$1749	-	-	6.6%	5.8%
$1750+	-	-	12.4%	6.0%
(No Cash Rent)	-	-	-	-
Mean	-	-	-	-
Mean/Room	-	-	-	-
Median	-	-	-	-
Median/Room	-	-	-	-
Monthly Cost of Electricity				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Utility Gas				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Water/Sewer				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Other Fuels				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Mortgage Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Insurance Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Property Taxes				
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters.
Totals may not add to 100% due to rounding.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Monthly Contract Rent
0.5%	0.7%	4.8%	1.2%	12.9%	1.6%°		$0-$199
1.2%	1.4%	11.1%	6.2%	23.1%	2.0%°		$200-$299
2.6%	1.4%	8.3%	6.0%	14.7%	1.4%°		$300-$399
3.5%	2.2%	6.5%	7.1%	13.3%	1.2%°		$400-$499
5.6%	3.3%	7.2%	9.0%	17.8%	2.4%°		$500-$599
10.2%	8.2%	9.7%	6.4%	9.5%	3.4%°		$600-$699
10.6%	9.5%	7.9%	13.6%	4.6%	5.5%°		$700-$799
12.9%	10.4%	6.6%	13.1%	2.3%	6.7%°		$800-$899
14.0%	14.0%	5.9%	7.7%	0.9%	8.7%°		$900-$999
20.2%	22.9%	18.0%	20.2%	0.4%	21.5%°		$1000-$1249
8.3%	11.1%	3.1%	5.5%	0.1%	11.5%°		$1250-$1499
5.2%	7.0%	3.4%	2.2%	0.1%	9.7%°		$1500-$1749
5.1%	7.9%	7.3%	1.9%	0.4%	24.4%°		$1750+
-	-	-	-	-	-		(No Cash Rent)
-	-	-	-	-	-		Mean
-	-	-	-	-	-		Mean/Room
-	-	-	-	-	-		Median
-	-	-	-	-	-		Median/Room
							Monthly Cost of Electricity
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Utility Gas
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Water/Sewer
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Other Fuels
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Mortgage Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Insurance Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Property Taxes
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

° Separate contract rent figures cannot be run for "Other Regulated" and "Other Rentals" households. The households receiving assistance for these two categories are reported together.

Totals may not add to 100% due to rounding.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2007 Total Household Income				
Loss, no income or<$5000	227,732	55,478	172,254	81,160
$5000-$9999	206,017	22,307	183,710	75,931
$10,000-$19,999	349,069	73,514	275,555	137,978
$20,000-$29,999	320,461	75,783	244,678	125,911
$30,000-$39,999	281,268	65,871	215,398	105,445
$40,000-$49,999	255,650	62,442	193,208	97,563
$50,000-$59,999	228,198	76,983	151,216	74,875
$60,000-$69,999	194,598	70,479	124,119	65,464
$70,000-$79,999	161,834	58,163	103,670	52,232
$80,000-$89,999	143,576	59,916	83,660	39,009
$90,000-$99,999	99,021	47,414	51,607	24,526
$100,000-$124,999	220,377	108,179	112,197	53,799
$125,000-$149,999	125,769	72,352	53,417	25,154
$150,000+	287,728	170,465	117,263	42,166
Mean	$73,735	$107,479	$57,213	$52,157
Median	$45,000	$70,000	$36,300	$36,000
Contract Rent to Income Ratio				
<10%	-	-	138,534	71,804
10%-19%	-	-	446,303	225,058
20%-29%	-	-	426,932	192,223
30%-39%	-	-	255,816	112,450
40%-49%	-	-	163,655	79,437
50%-59%	-	-	106,358	54,780
60%-69%	-	-	81,105	38,976
70%+	-	-	318,861	160,270
(Not Computed)	-	-	144,388	66,218
Mean	-	-	38.8%	39.0%
Median	-	-	28.7%	28.5%
Households in Poverty				
Households Below 100% of Poverty Level	572,996	96,563	476,433	214,834
Households at or Above 100% of Poverty Level	2,528,302	922,783	1,605,520	786,381
Households Below 125% of Poverty Level	722,240	127,580	594,660	274,853
Households at or Above 125% of Poverty Level	2,379,058	891,765	1,487,293	726,362
Households Receiving Public Assistance¥	323,482	34,666	288,816	126,695
Households Not Receiving Public Assistance	2,148,433	772,429	1,376,004	666,266
(Do Not Know/Not Reported)	(629,380)	(212,250)	(417,130)	(208,253)
Households Receiving TANF/FAP§	78,619	2,753	75,866	38,516
Households Receiving Safety Net	16,343	1,166	15,177	9,017
Households Receiving SSI	192,515	26,623	165,892	68,484
Households Receiving Other Public Assistance	94,120	7,631	86,489	36,239
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	114,023	58,712
Households Receiving Shelter Allowance	-	-	48,244	23,614
Households Receiving SCRIE∞	-	-	23,581	15,541
Households Receiving Jiggets	-	-	4,784	3,836
Households Receiving EIHP†	-	-	1,856	1,280
Households Receiving a Homeless Assistance Subsidy	-	-	3,728	2,543
Households Receiving Another Federal Housing Subsidy	-	-	16,411	2,767
Households Receiving Another State/City Housing Subsidy	-	-	48,833	22,953

§Temporary Assistance for Needy Families/Family Assistance Program; ∞Senior Citizens Rent Increase Exemption;
†Employee Incentive Housing Program
@ All households, including owners and renters

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							2007 Total Household Income
56,726	24,434	4,156	5,849	31,719	49,371°		Loss, no income or<$5000
56,589	19,342	4,757	7,949	44,032	51,040°		$5000-$9999
96,156	41,822	8,240	11,236	39,608	78,495°		$10,000-$19,999
90,309	35,603	6,041	10,837	23,044	78,844°		$20,000-$29,999
73,709	31,736	3,793	4,867	18,065	83,230°		$30,000-$39,999
67,391	30,172	1,883	5,260	9,362	79,140°		$40,000-$49,999
53,193	21,682	3,186	2,485	4,732	65,938°		$50,000-$59,999
46,351	19,113	1,659	2,364	4,683	49,950°		$60,000-$69,999
35,845	16,387	1,078	1,706	2,416	46,238°		$70,000-$79,999
25,985	13,024	767	1,587	3,027	39,270°		$80,000-$89,999
16,113	8,413	1,138	1,100	783	24,059°		$90,000-$99,999
36,076	17,723	932	1,218	1,764	54,484°		$100,000-$124,999
17,294	7,860	917	1,025	574	25,747°		$125,000-$149,999
28,817	13,350	1,355	1,498	0	72,244°		$150,000+
$51,672	$53,288	$55,445	$61,719	$21,189	$71,610°		Mean
$35,000	$38,000	$24,000	$24,036	$12,920	$46,000°		Median
							Contract Rent to Income Ratio
53,239	18,565	4,865	4,318	15,407	42,140°		<10%
155,125	69,933	7,326	9,986	40,387	163,547°		10%-19%
136,080	56,143	6,013	9,199	42,819	176,679°		20%-29%
77,187	35,263	3,679	8,746	27,201	103,740°		30%-39%
56,680	22,757	3,746	3,861	7,927	68,684°		40%-49%
38,326	16,453	1,962	4,158	6,111	39,348°		50%-59%
25,706	13,270	1,828	2,416	5,851	32,032°		60%-69%
113,053	47,217	7,285	13,027	19,459	118,820°		70%+
45,158	21,060	3,197	3,267	18,647	53,059°		(Not Computed)
38.9%	39.1%	40.4%	44.5%	34.0%	39.1%°		Mean
28.2%	28.9%	30.0%	33.0%	27.1%	29.2%°		Median
							Households in Poverty
159,591	55,243	10,276	18,763	93,500	139,061°		Households Below 100% of Poverty Level
540,963	245,418	29,625	40,216	90,310	658,989°		Households at or Above 100% of Poverty Level
200,365	74,488	13,395	24,210	110,376	171,826°		Households Below 125% of Poverty Level
500,189	226,173	26,506	34,769	73,433	626,223°		Households at or Above 125% of Poverty Level
99,319	27,376	4,115	13,125	70,797	22,988	51,096	Households Receiving Public Assistance¥
459,924	206,342	27,619	33,995	89,720	32,896	525,508	Households Not Receiving Public Assistance
(141,311)	(66,942)	(8,167)	(11,858)	(23,292)	(6,224)	(159,336)	(Do Not Know/Not Reported)
31,637	6,879	672	2,440	18,062	3,548	12,628	Households Receiving TANF/FAP§
7,439	1,578	0	779	2,383	296	2,702	Households Receiving Safety Net
52,854	15,630	3,098	8,501	46,639	14,129	25,041	Households Receiving SSI
27,916	8,323	770	4,038	14,811	9,275	21,356	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
43,846	14,866	436	10,189	5,627	15,195	23,864	Households Receiving Section 8 Certif./Voucher
19,901	3,713	450	924	10,106	2,332	10,818	Households Receiving Shelter Allowance
9,346	6,195	2,834	2,063	785	1,802	556	Households Receiving SCRIE∞
3,747	89	-	-	193	-	755	Households Receiving Jiggets
1,280	-	-	199	206	-	171	Households Receiving EIHP†
2,370	173	-	149	-	-	1,036	Households Receiving a Homeless Assistance Subsidy
1,946	821	-	3,451	4,008	3,742	2,443	Households Receiving Another Federal Housing Subsidy
16,722	6,231	1,108	3,480	6,112	2,349	12,831	Households Receiving Another State/City Housing Subsidy

° Separate household income, contract rent-to-income ratios, and poverty figures cannot be run for "Other Regulated" and "Other Rentals" households. The households receiving assistance for these two categories are reported together.

¥ Because households can receive more than one type of public assistance, the sum of the households receiving each category of assistance (TANF, Safety Net, etc.) exceed the total households receiving public assistance.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2007 Total Household Income				
Loss, no income or<$5000	7.3%	5.4%	8.3%	8.1%
$5000-$9999	6.6%	2.2%	8.8%	7.6%
$10,000-$19,999	11.3%	7.2%	13.2%	13.8%
$20,000-$29,999	10.3%	7.4%	11.8%	12.6%
$30,000-$39,999	9.1%	6.5%	10.3%	10.5%
$40,000-$49,999	8.2%	6.1%	9.3%	9.7%
$50,000-$59,999	7.4%	7.6%	7.3%	7.5%
$60,000-$69,999	6.3%	6.9%	6.0%	6.5%
$70,000-$79,999	5.2%	5.7%	5.0%	5.2%
$80,000-$89,999	4.6%	5.9%	4.0%	3.9%
$90,000-$99,999	3.2%	4.7%	2.5%	2.4%
$100,000-$124,999	7.1%	10.6%	5.4%	5.4%
$125,000-$149,999	4.1%	7.1%	2.6%	2.5%
$150,000+	9.3%	16.7%	5.6%	4.2%
Mean	-	-	-	-
Median	-	-	-	-
Contract Rent to Income Ratio				
<10%	-	-	7.1%	7.7%
10%-19%	-	-	23.0%	24.1%
20%-29%	-	-	22.0%	20.6%
30%-39%	-	-	13.2%	12.0%
40%-49%	-	-	8.4%	8.5%
50%-59%	-	-	5.5%	5.9%
60%-69%	-	-	4.2%	4.2%
70%+	-	-	16.5%	17.1%
(Not Computed)	-	-	-	-
Mean	-	-	-	-
Median	-	-	-	-
Households in Poverty				
Households Below 100% of Poverty Level	18.5%	9.5%	22.9%	21.5%
Households at or Above 100% of Poverty Level	81.5%	90.5%	77.1%	78.5%
Households Below 125% of Poverty Level	23.3%	12.5%	28.6%	27.5%
Households at or Above 125% of Poverty Level	76.7%	87.5%	71.4%	72.5%
Households Receiving Public Assistance¥	13.1%	4.3%	17.3%	16.0%
Households Not Receiving Public Assistance	86.9%	95.7%	82.7%	84.0%
(Not Reported)	-	-	-	-
Households Receiving TANF/FAP§	3.2%	0.3%	4.5%	4.8%
Households Receiving Safety Net	0.7%	0.1%	0.9%	1.1%
Households Receiving SSI	7.7%	3.3%	9.9%	8.6%
Households Receiving Other Public Assistance	3.8%	0.9%	5.3%	4.6%
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	7.5%	8.1%
Households Receiving Shelter Allowance	-	-	3.2%	3.3%
Households Receiving SCRIE∞	-	-	8.1%	11.3%
Households Receiving Jiggets -	-	0.3%	0.5%	
Households Receiving EIHP† -	-	0.1%	0.2%	
Households Receiving a Homeless Assistance Subsidy	-	-	0.2%	0.4%
Households Receiving Another Federal Housing Subsidy	-	-	1.1%	0.4%
Households Receiving Another State/City Housing Subsidy	-	-	3.2%	3.2%

§Temporary Assistance for Needy Families/Family Assistance Program; ∞Senior Citizens Rent Increase Exemption;
†Employee Incentive Housing Program
@ All households, including owners and renters

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							2007 Total Household Income
8.1%	8.1%	10.4%	9.9%	17.3%	6.2%°		Loss, no income or<$5000
8.1%	6.4%	11.9%	13.5%	24.0%	6.4%°		$5000-$9999
13.7%	13.9%	20.7%	19.1%	21.5%	9.8%°		$10,000-$19,999
12.9%	11.8%	15.1%	18.4%	12.5%	9.9%°		$20,000-$29,999
10.5%	10.6%	9.5%	8.3%	9.8%	10.4%°		$30,000-$39,999
9.6%	10.0%	4.7%	8.9%	5.1%	9.9%°		$40,000-$49,999
7.6%	7.2%	8.0%	4.2%	2.6%	8.3%°		$50,000-$59,999
6.6%	6.4%	4.2%	4.0%	2.5%	6.3%°		$60,000-$69,999
5.1%	5.5%	2.7%	2.9%	1.3%	5.8%°		$70,000-$79,999
3.7%	4.3%	1.9%	2.7%	1.6%	4.9%°		$80,000-$89,999
2.3%	2.8%	2.9%	1.9%	0.4%	3.0%°		$90,000-$99,999
5.1%	5.9%	2.3%	2.1%	1.0%	6.8%°		$100,000-$124,999
2.5%	2.6%	2.3%	1.7%	0.3%	3.2%°		$125,000-$149,999
4.1%	4.4%	3.4%	2.5%	0.0%	9.1%°		$150,000+
-	-	-	-	-	-		Mean
-	-	-	-	-	-		Median
							Contract Rent to Income Ratio
8.1%	6.6%	13.3%	7.8%	9.3%	5.7%°		<10%
23.7%	25.0%	20.0%	17.9%	24.5%	22.0%°		10%-19%
20.8%	20.1%	16.4%	16.5%	25.9%	23.7%°		20%-29%
11.8%	12.6%	10.0%	15.7%	16.5%	13.9%°		30%-39%
8.6%	8.1%	10.2%	6.9%	4.8%	9.2%°		40%-49%
5.8%	5.9%	5.3%	7.5%	3.7%	5.3%°		50%-59%
3.9%	4.7%	5.0%	4.3%	3.5%	4.3%°		60%-69%
17.2%	16.9%	19.8%	23.4%	11.8%	15.9%°		70%+
-	-	-	-	-	-		(Not Computed)
-	-	-	-	-	-		Mean
-	-	-	-	-	-		Median
							Households in Poverty
22.8%	18.4%	25.8%	31.8%	50.9%	17.4%°		Households Below 100% of Poverty Level
77.2%	81.6%	74.2%	68.2%	49.1%	82.6%°		Households at or Above 100% of Poverty Level
28.6%	24.8%	33.6%	41.0%	60.0%	21.5%°		Households Below 125% of Poverty Level
71.4%	75.2%	66.4%	59.0%	40.0%	78.5%°		Households at or Above 125% of Poverty Level
17.8%	11.7%	13.0%	27.9%	44.1%	41.1%	8.9%	Households Receiving Public Assistance¥
82.2%	88.3%	87.0%	72.1%	55.9%	58.9%	91.1%	Households Not Receiving Public Assistance
-	-	-	-	-	-	-	(Not Reported)
5.6%	2.9%	2.1%	5.2%	11.3%	6.4%	2.2%	Households Receiving TANF/FAP§
1.3%	0.7%	0.0%	1.7%	1.5%	0.5%	0.5%	Households Receiving Safety Net
9.4%	6.6%	9.8%	18.1%	29.2%	25.2%	4.3%	Households Receiving SSI
5.0%	3.6%	2.5%	8.8%	9.5%	16.8%	3.7%	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
8.6%	6.9%	1.5%	24.3%	4.0%	31.7%	4.5%	Households Receiving Section 8 Certif./Voucher
3.9%	1.7%	1.5%	2.2%	7.2%	4.8%	2.0%	Households Receiving Shelter Allowance
11.5%	11.0%	13.5%	12.7%	1.9%	7.9%	1.0%	Households Receiving SCRIE∞
0.7%	0.0%	-	-	0.1%	-	0.1%	Households Receiving Jiggets
0.3%	-	-	0.5%	0.1%	-	0.0%	Households Receiving EIHP†
0.5%	0.1%	-	0.4%	-	-	0.2%	Households Receiving a Homeless Assistance Subsid
0.4%	0.4%	0.0%	8.3%	2.9%	7.8%	0.5%	Households Receiving Another Federal Housing Subsidy
3.3%	2.9%	3.7%	8.5%	4.4%	4.9%	2.4%	Households Receiving Another State/City Housing Subsidy

° Separate household income, contract rent-to-income ratios, and poverty figures cannot be run for “Other Regulated” and “Other Rentals” households. The households receiving assistance for these two categories are reported together.

¥ Because households can receive more than one type of public assistance, the sum of the households receiving each category of assistance (TANF, Safety Net, etc.) exceed the total households receiving public assistance.

D.3 Demographic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2006-2008	739,215	116,227	622,988	258,817
2003-2005	586,834	168,206	418,628	185,946
1999-2002	478,740	156,249	322,491	159,748
1996-1998	252,084	98,947	153,137	81,889
1993-1995	180,477	72,879	107,598	63,637
1990-1992	140,600	59,009	81,591	48,544
1987-1989	125,325	61,191	64,134	34,090
1984-1986	85,368	42,910	42,458	23,526
1981-1983	81,588	33,113	48,475	27,074
1971-1980	251,384	109,680	141,704	88,289
Prior to 1971	179,684	100,933	78,751	29,657
Household Composition				
Married Couples	1,199,032	545,292	653,740	313,381
Children <18 Years of Age	418,253	174,703	243,550	116,022
w/o Children <18 Years of Age	174,812	95,998	78,814	39,798
Other Household Members	142,764	68,550	74,214	31,742
w/o Other Household Members	463,203	206,041	257,162	125,819
(Not Reported)	-	-	-	-
Female Householder	1,175,734	300,217	875,517	416,471
Children <18 Years of Age	171,187	18,682	152,505	66,732
w/o Children <18 Years of Age	274,214	80,671	193,543	89,632
Other Household Members	132,120	26,860	105,260	45,299
w/o Other Household Members	598,213	174,004	424,209	214,808
(Not Reported)	-	-	-	-
Male Householder	726,531	173,836	552,695	271,361
Children <18 Years of Age	18,577	3,378	15,199	6,746
w/o Children <18 Years of Age	215,104	53,359	161,745	70,520
Other Household Members	37,225	11,454	25,771	13,031
w/o Other Household Members	455,625	105,645	349,980	181,064
(Not Reported)	-	-	-	-
Race of Householder				
White, non-Hispanic	1,340,085	572,327	767,758	361,326
Black, non-Hispanic	695,800	188,684	507,116	224,542
Puerto Rican	274,004	42,553	231,451	104,150
Other Spanish/Hispanic	449,198	80,595	368,603	218,400
Asian/Pacific Islander	328,017	129,870	198,147	88,991
American/Aleut/Eskimo	6,987	3,108	3,879	1,401
Two or more races	7,206	2,208	4,998	2,405
(Not Reported)	-	-	-	-
Age of Householder				
Under 25 years	111,056	10,749	100,307	42,088
25-34	604,313	103,917	500,396	226,877
35-44	706,439	205,929	500,510	239,424
45-54	645,946	245,956	399,990	206,037
55-61	341,423	147,598	193,825	104,128
62-64	118,289	53,814	64,475	35,080
65-74	306,661	132,994	173,667	83,809
75-84	193,708	84,754	108,954	48,695
85 or more years	73,464	33,634	39,830	15,077
(Not Reported)	-	-	-	-
Mean	48	53	46	46
Median	46	52	43	44

@ All households, including owners and renters.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Year Moved Into Current Dwelling
181,000	77,817	2,192	8,709	27,017	8,162	318,091	2006-2008
129,834	56,112	2,986	8,626	25,685	11,029	184,356	2003-2005
112,086	47,662	1,968	9,584	27,516	12,051	111,624	1999-2002
59,777	22,112	1,643	6,462	15,583	7,493	40,067	1996-1999
47,917	15,720	906	4,697	10,818	5,124	22,416	1993-1995
35,177	13,367	-	3,639	9,967	3,370	16,071	1990-1992
24,739	9,351	798	2,413	10,924	3,950	11,959	1987-1989
18,080	5,446	203	1,588	9,881	2,600	4,660	1984-1986
19,146	7,928	788	3,183	7,569	3,950	5,911	1981-1983
59,410	28,879	4,634	8,547	22,575	3,270	14,389	1971-1980
13,390	16,267	23,783	1,531	16,274	1,109	6,397	Prior to 1971
							Household Composition
211,785	101,596	9,756	15,116	33,492	11,864	270,131	Married Couples
81,147	34,875	2,228	3,975	10,016	3,616	107,693	Children <18 Years of Age
27,202	12,596	1,576	3,548	5,595	1,387	26,910	w/o Children <18 Years of Age
23,024	8,718	464	1,489	5,177	297	35,045	Other Household Members
80,412	45,407	5,488	6,104	12,704	6,564	100,483	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
292,857	123,614	16,849	32,975	118,933	35,891	254,398	Female Householder
50,600	16,132	986	5,741	31,589	5,169	42,288	Children <18 Years of Age
66,177	23,455	2,420	3,379	19,916	4,713	73,483	w/o Children <18 Years of Age
33,377	11,922	366	3,829	17,584	3,906	34,276	Other Household Members
142,703	72,105	13,077	20,026	49,844	22,103	104,351	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
195,911	75,450	13,297	10,887	31,385	14,353	211,412	Male Householder
4,819	1,927	0	812	1,686	239	5,716	Children <18 Years of Age
53,933	16,587	2,596	1,730	4,520	2,292	80,087	w/o Children <18 Years of Age
9,439	3,592	0	215	2,901	281	9,343	Other Household Members
127,720	53,344	10,701	8,130	22,278	11,541	116,266	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
							Race of Householder
237,107	124,219	23,034	19,207	13,786	11,810	338,595	White, non-Hispanic
157,834	66,708	5,748	23,585	86,572	15,758	150,911	Black, non-Hispanic
79,691	24,459	3,800	6,581	51,222	16,869	48,829	Puerto Rican
164,672	53,728	4,987	4,864	25,990	11,869	102,493	Other Hispanic
58,995	29,996	2,170	4,495	5,516	5,793	91,182	Asian/Pacific Islander
767	634			546	9	1,923	American/Aleut/Eskimo
1,489	916	162	246	177	0	2,008	Two or more races
-	-	-	-	-	-	-	(Not Reported)
							Age of Householder
31,743	10,345	162	1,596	5,612	1,828	49,021	Under 25 years
172,354	54,523	2,819	8,555	23,519	7,038	231,588	25-34
168,988	70,436	4,096	9,830	37,681	8,581	200,898	35-44
147,310	58,727	3,656	11,132	40,598	9,757	128,810	45-54
71,998	32,130	2,777	6,010	22,890	5,454	52,566	55-61
24,251	10,829	2,646	3,025	7,482	2,493	13,749	62-64
52,305	31,504	9,714	9,527	24,922	10,536	35,159	65-74
25,705	22,990	8,874	6,403	16,276	12,417	16,289	75-84
5,901	9,176	5,157	2,901	4,829	4,005	7,861	85 or more years
-	-	-	-	-	-	-	(Not Reported)
45	49	65	54	52	58	41	Mean
43	46	68	52	50	59	38	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.3 Demographic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2006-2008	23.8%	11.4%	29.9%	25.9%
2003-2005	18.9%	16.5%	20.1%	18.6%
1999-2002	15.4%	15.3%	15.5%	16.0%
1996-1998	8.1%	9.7%	7.4%	8.2%
1993-1995	5.8%	7.1%	5.2%	6.4%
1990-1992	4.5%	5.8%	3.9%	4.8%
1987-1989	4.0%	6.0%	3.1%	3.4%
1984-1986	2.8%	4.2%	2.0%	2.3%
1981-1983	2.6%	3.2%	2.3%	2.7%
1971-1980	8.1%	10.8%	6.8%	8.8%
Prior to 1971	5.8%	9.9%	3.8%	3.0%
Household Composition				
Married Couples	38.7%	53.5%	31.4%	31.3%
Children <18 Years of Age	13.5%	17.1%	11.7%	11.6%
w/o Children <18 Years of Age	5.6%	9.4%	3.8%	4.0%
Other Household Members	4.6%	6.7%	3.6%	3.2%
w/o Other Household Members	14.9%	20.2%	12.4%	12.6%
(Not Reported)	-	-	-	-
Female Householder	37.9%	29.5%	42.1%	41.6%
Children <18 Years of Age	5.5%	1.8%	7.3%	6.7%
w/o Children <18 Years of Age	8.8%	7.9%	9.3%	9.0%
Other Household Members	4.3%	2.6%	5.1%	4.5%
w/o Other Household Members	19.3%	17.1%	20.4%	21.5%
(Not Reported)	-	-	-	-
Male Householder	23.4%	17.1%	26.5%	27.1%
Children <18 Years of Age	0.6%	0.3%	0.7%	0.7%
w/o Children <18 Years of Age	6.9%	5.2%	7.8%	7.0%
Other Household Members	1.2%	1.1%	1.2%	1.3%
w/o Other Household Members	14.7%	10.4%	16.8%	18.1%
(Not Reported)	-	-	-	-
Race of Householder				
White, non-Hispanic	43.2%	56.1%	36.9%	36.1%
Black, non-Hispanic	22.4%	18.5%	24.4%	22.4%
Puerto Rican	8.8%	4.2%	11.1%	10.4%
Other Hispanic	14.5%	7.9%	17.7%	21.8%
Asian/Pacific Islander	10.6%	12.7%	9.5%	8.9%
American/Aleut/Eskimo	0.2%	0.3%	0.2%	0.1%
2 or more races	0.2%	0.2%	0.2%	0.2%
(Not Reported)	-	-	-	-
Age of Householder				
Under 25 years	3.6%	1.1%	4.8%	4.2%
25-34	19.5%	10.2%	24.0%	22.7%
35-44	22.8%	20.2%	24.0%	23.9%
45-54	20.8%	24.1%	19.2%	20.6%
55-61	11.0%	14.5%	9.3%	10.4%
62-64	3.8%	5.3%	3.1%	3.5%
65-74	9.9%	13.0%	8.3%	8.4%
75-84	6.2%	8.3%	5.2%	4.9%
85 or more years	2.4%	3.3%	1.9%	1.5%
(Not Reported)	-	-	-	-
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters. Totals may not add to 100% due to rounding.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Year Moved Into Current Dwelling
25.8%	25.9%	5.5%	14.8%	14.7%	13.1%	43.2%	2006-2008
18.5%	18.7%	7.5%	14.6%	14.0%	17.8%	25.1%	2003-2005
16.0%	15.9%	4.9%	16.2%	15.0%	19.4%	15.2%	1999-2002
8.5%	7.4%	4.1%	11.0%	8.5%	12.1%	5.4%	1996-1998
6.8%	5.2%	2.3%	8.0%	5.9%	8.3%	3.0%	1993-1995
5.0%	4.4%	0.0%	6.2%	5.4%	5.4%	2.2%	1990-1992
3.5%	3.1%	2.0%	4.1%	5.9%	6.4%	1.6%	1987-1989
2.6%	1.8%	0.5%	2.7%	5.4%	4.2%	0.6%	1984-1986
2.7%	2.6%	2.0%	5.4%	4.1%	6.4%	0.8%	1981-1983
8.5%	9.6%	11.6%	14.5%	12.3%	5.3%	2.0%	1971-1980
1.9%	5.4%	59.6%	2.6%	8.9%	1.8%	0.9%	Prior to 1971
							Household Composition
30.2%	33.8%	24.4%	25.6%	18.2%	19.1%	36.7%%	Married Couples
11.6%	11.6%	5.6%	6.7%	5.4%	5.8%	14.6%	Children <18 Years of Age
3.9%	4.2%	3.9%	6.0%	3.0%	2.2%	3.7%	w/o Children <18 Years of Age
3.3%	2.9%	1.2%	2.5%	2.8%	0.5%	4.8%	Other Household Members
11.5%	15.1%	13.8%	10.3%	6.9%	10.6%	13.7%	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
41.8%	41.1%	42.2%	55.9%	64.7%	57.8%	34.6%	Female Householder
7.2%	5.4%	2.5%	9.7%	17.2%	8.3%	5.7%	Children <18 Years of Age
9.4%	7.8%	6.1%	5.7%	10.8%	7.6%	10.0%	w/o Children <18 Years of Age
4.8%	4.0%	0.9%	6.5%	9.6%	6.3%	4.7%	Other Household Members
20.4%	24.0%	32.8%	34.0%	27.1%	35.6%	14.2%	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
28.0%	25.1%	33.3%	18.5%	17.1%	23.1%	28.7%	Male Householder
0.7%	0.6%	0.0%	1.4%	0.9%	0.4%	0.8%	Children <18 Years of Age
7.7%	5.5%	6.5%	2.9%	2.5%	3.7%	10.9%	w/o Children <18 Years of Age
1.3%	1.2%	0.0%	0.4%	1.6%	0.5%	1.3%	Other Household Members
18.2%	17.7%	26.8%	13.8%	12.1%	18.6%	15.8%	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
							Race of Householder
33.8%	41.3%	57.7%	32.6%	7.5%	19.0%	46.0%	White, non-Hispanic
22.5%	22.2%	14.4%	40.0%	47.1%	25.4%	20.5%	Black, non-Hispanic
11.4%	8.1%	9.5%	11.2%	27.9%	27.2%	6.6%	Puerto Rican
23.5%	17.9%	12.5%	8.2%	14.1%	19.1%	13.9%	Other Hispanic
8.4%	10.0%	5.4%	7.6%	3.0%	9.3%	12.4%	Asian/Pacific Islander
0.1%	0.2%	0.0%	0.0%	0.3%	0.0%	0.3%	American/Aleut/Eskimo
0.2%	0.3%	0.4%	0.4%	0.1%	0.0%	0.3%	2 or more races
-	-	-	-	-	-	-	(Not Reported)
							Age of Householder
4.5%	3.4%	0.4%	2.7%	3.1%	2.9%	6.7%	Under 25 years
24.6%	18.1%	7.1%	14.5%	12.8%	11.3%	31.5%	25-34
24.1%	23.4%	10.3%	16.7%	20.5%	13.8%	27.3%	35-44
21.0%	19.5%	9.2%	18.9%	22.1%	15.7%	17.5%	45-54
10.3%	10.7%	7.0%	10.2%	12.5%	8.8%	7.1%	55-61
3.5%	3.6%	6.6%	5.1%	4.1%	4.0%	1.9%	62-64
7.5%	10.5%	24.3%	16.2%	13.6%	17.0%	4.8%	65-74
3.7%	7.6%	22.2%	10.9%	8.9%	20.0%	2.2%	75-84
0.8%	3.1%	12.9%	4.9%	2.6%	6.4%	1.1%	85 or more years
-	-	-	-	-	-	-	(Not Reported)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.4 Housing / Neighborhood Quality Characteristics

	All Units@	Owner Units	Renter Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	320,130	57,271	262,859	136,146
Additional Heating Not Required	1,838,033	647,178	1,190,855	550,794
(Not Reported)	(943,135)	(314,896)	(628,239)	(314,276)
Heating Breakdowns	248,084	36,413	211,671	120,048
No Breakdowns	1,893,655	664,398	1,229,257	562,691
(Not Reported)	(959,559)	(318,534)	(641,025)	(318,477)
Broken Plaster/Peeling Paint	266,313	38,726	227,587	131,488
No Broken Plaster/Peeling Paint	1,883,773	663,904	1,219,869	552,760
(Not Reported)	(951,211)	(316,715)	(634,496)	(316,967)
Cracked Interior Walls or Ceilings	248,819	27,067	221,752	132,764
No Cracked Interior Walls or Ceilings	1,911,501	676,866	1,234,635	556,322
(Not Reported)	(940,976)	(315,411)	(625,565)	(312,130)
Holes in Floor	129,765	9,550	120,215	76,998
No Holes in Floor	2,018,582	691,990	1,326,592	606,502
(Not Reported)	(952,951)	(317,805)	(635,146)	(317,716)
Rodent Infestation	471,125	67,825	403,300	239,888
No Infestation	1,690,770	637,201	1,053,569	448,908
(Not Reported)	(939,406)	(314,319)	(625,087)	(312,420)
Cockroach Infestation	607,138	68,894	538,244	303,384
No Infestation	1,520,349	627,401	892,948	373,196
(Not Reported)	(973,811)	(323,050)	(650,761)	(324,635)
Toilet Breakdown	258,047	63,851	194,196	98,946
No Toilet Breakdown/No Facilities	1,887,958	635,356	1,252,602	587,868
(Not Reported)	(955,292)	(320,138)	(635,154)	(314,399)
Water Leakage Inside Unit	361,281	78,627	282,654	166,073
No Water Leakage	1,797,411	624,804	1,172,607	522,591
(Not Reported)	(942,609)	(315,915)	(626,694)	(312,552)
Units in Buildings w. No Maintenance Defects	1,079,182	452,186	626,996	250,101
Units in Buildings w. 1 Maintenance Defect	477,085	149,266	327,819	158,490
Units in Buildings w. 2 Maintenance Defects	223,126	51,593	171,533	91,307
Units in Buildings w. 3 Maintenance Defects	132,086	16,796	115,290	63,696
Units in Buildings w. 4 Maintenance Defects	70,633	4,530	66,103	44,821
Units in Buildings w. 5+ Maintenance Defects	61,623	2,136	59,487	36,742
(Not Reported)	(1,057,562)	(342,839)	(714,723)	(356,058)
Condition of Neighboring Buildings				
Excellent	485,596	248,965	236,631	96,234
Good	1,192,236	384,888	807,348	373,532
Fair	396,041	64,021	332,020	178,255
Poor Quality	83,001	5,543	77,458	39,063
(Not Reported)	(944,423)	(315,928)	(628,495)	(314,130)
Boarded Up/Broken Windows in Neighborhood	134,696	32,300	102,396	51,096
No Boarded Up/Broken Windows in Neighborhood	2,854,400	953,439	1,900,961	907,140
(Not Reported)	(112,202)	(33,606)	(78,596)	(42,979)

@ All housing units, including owners and renters.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Maintenance Quality (Units Experiencing:)
98,607	37,539	3,949	7,343	32,994	9,460	72,967	Additional Heating Required
383,601	167,193	25,117	34,061	104,146	39,268	437,469	Additional Heating Not Required
(218,347)	(95,929)	(10,835)	(17,574)	(46,669)	(13,380)	(225,505)	(Not Reported)
90,472	29,576	4,498	3,773	25,147	6,538	51,667	Heating Breakdowns
388,126	174,565	24,524	36,782	110,602	40,916	453,742	No Breakdowns
(221,957)	(96,520)	(10,879)	(18,423)	(48,060)	(14,654)	(230,532)	(Not Reported)
101,691	29,797	6,880	5,441	30,261	5,309	48,208	Broken Plaster/Peeling Paint
378,734	174,026	21,783	36,421	105,803	42,814	460,288	No Broken Plaster/Peeling Paint
(220,129)	(96,838)	(11,238)	(17,116)	(47,745)	(13,985)	(227,445)	(Not Reported)
110,891	21,873	6,138	4,737	28,488	6,393	43,232	Cracked Interior Walls or Ceilings
373,087	183,235	23,467	37,087	108,321	42,371	467,067	No Cracked Interior Walls or Ceilings
(216,577)	(95,553)	(10,296)	(17,154)	(47,000)	(13,344)	(225,641)	(Not Reported)
67,839	9,159	3,353	1,538	9,747	3,451	25,128	Holes in Floor
411,541	194,961	25,941	40,105	126,918	44,718	482,408	No Holes in Floor
(221,175)	(96,541)	(10,606)	(17,335)	(47,144)	(13,940)	(228,405)	(Not Reported)
189,365	50,523	9,115	10,458	42,202	17,733	83,904	Rodent Infestation
294,215	154,693	20,336	31,367	95,010	30,873	427,075	No Infestation
(216,975)	(95,445)	(10,450)	(17,154)	(46,598)	(13,503)	(224,962)	(Not Reported)
224,455	78,929	10,446	15,029	84,419	18,685	106,281	Cockroach Infestation
251,005	122,191	17,888	26,193	49,396	28,557	397,718	No Infestation
(225,095)	(99,540)	(11,567)	(17,757)	(49,995)	(14,866)	(231,941)	(Not Reported)
71,397	27,549	3,103	7,268	25,080	7,634	52,165	Toilet Breakdown
411,604	176,264	25,880	34,516	109,650	40,220	454,468	No Toilet Breakdown/No Facilities
(217,552)	(96,847)	(10,918)	(17,195)	(49,079)	(14,254)	(229,309)	(Not Reported)
129,829	36,244	7,017	5,823	29,210	9,572	64,959	Water Leakage Inside Unit
353,661	168,930	22,235	36,019	107,315	39,188	445,259	No Water Leakage
(217,065)	(95,487)	(10,649)	(17,137)	(47,284)	(13,349)	(225,723)	(Not Reported)
158,600	91,501	11,039	19,133	44,666	18,536	283,521	Units in Buildings w. No Maintenance Defects
109,084	49,406	6,484	8,299	33,883	12,869	107,794	Units in Buildings w. 1 Maintenance Defect
66,718	24,589	4,055	6,716	19,040	4,387	46,028	Units in Buildings w. 2 Maintenance Defects
49,750	13,946	2,874	2,757	15,309	3,913	26,741	Units in Buildings w. 3 Maintenance Defects
35,907	8,914	777	910	7,944	2,829	8,822	Units in Buildings w. 4 Maintenance Defects
31,373	5,369	1,477	993	7,048	2,108	11,119	Units in Buildings w. 5+ Maintenance Defects
(249,122)	(106,936)	(13,194)	(20,172)	(55,918)	(17,465)	(251,916)	(Not Reported)
							Condition of Neighboring Buildings
58,009	38,225	5,672	8,995	4,957	6,904	113,869	Excellent
254,585	118,947	15,833	21,544	64,144	26,110	306,185	Good
137,551	40,704	6,096	9,515	48,779	11,756	77,619	Fair
32,759	6,304	1,464	1,975	18,278	3,997	12,681	Poor Quality
(217,650)	(96,480)	(10,837)	(16,949)	(47,651)	(13,342)	(225,586)	(Not Reported)
44,512	6,584	2,698	1,535	7,566	1,961	37,540	Boarded Up/Broken Windows in Neighborhood
627,318	279,822	36,173	56,025	169,858	56,787	674,978	No Boarded Up/Broken Windows in Neighborhood
(28,725)	(14,254)	(1,030)	(1,418)	(6,386)	(3,360)	(23,423)	(Not Reported)

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.4 Housing/Neighborhood Quality Characteristics (Continued)

	All Dwellings@	Owner Units	Rental Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	14.8%	8.1%	18.1%	19.8%
Additional Heating Not Required	85.2%	91.9%	81.9%	80.2%
(Not Reported)	-	-	-	-
Heating Breakdowns	11.6%	5.2%	14.7%	17.6%
No Breakdowns	88.4%	94.8%	85.3%	82.4%
(Not Reported)	-	-	-	-
Broken Plaster/Peeling Paint	12.4%	5.5%	15.7%	19.2%
No Broken Plaster/Peeling Paint	87.6%	94.5%	84.3%	80.8%
(Not Reported)	-	-	-	-
Cracked Interior Walls or Ceilings	11.5%	3.8%	15.2%	19.3%
No Cracked Interior Walls or Ceilings	88.5%	96.2%	84.8%	80.7%
(Not Reported)	-	-	-	-
Holes in Floor	6.0%	1.4%	8.3%	11.3%
No Holes in Floor	94.0%	98.6%	91.7%	88.7%
(Not Reported)	-	-	-	-
Rodent Infestation	21.8%	9.6%	27.7%	34.8%
No Infestation	78.2%	90.4%	72.3%	65.2%
(Not Reported)	-	-	-	-
Cockroach Infestation	28.5%	9.9%	37.6%	44.8%
No Infestation	71.5%	90.1%	62.4%	55.2%
(Not Reported)	-	-	-	-
Toilet Breakdown	12.0%	9.1%	13.4%	14.4%
No Toilet Breakdown	88.0%	90.9%	86.6%	85.6%
(Not Reported)	-	-	-	-
Water Leakage Inside Unit	16.7%	11.2%	19.4%	24.1%
No Water Leakage	83.3%	88.8%	80.6%	75.9%
(Not Reported)	-	-	-	-
Units in Buildings w. No Maintenance Defects	52.8%	66.8%	45.9%	38.8%
Units in Buildings w. 1 Maintenance Defect	23.3%	22.1%	24.0%	24.6%
Units in Buildings w. 2 Maintenance Defects	10.9%	7.6%	12.5%	14.2%
Units in Buildings w. 3 Maintenance Defects	6.5%	2.5%	8.4%	9.9%
Units in Buildings w. 4 Maintenance Defects	3.5%	0.7%	4.8%	6.9%
Units in Buildings w. 5+ Maintenance Defects	3.0%	0.3%	4.4%	5.7%
(Not Reported)	-	-	-	-
Condition of Neighboring Buildings				
Excellent	22.5%	35.4%	16.3%	14.0%
Good	55.3%	54.7%	55.5%	54.4%
Fair	18.4%	9.1%	22.8%	25.9%
Poor Quality	3.8%	0.8%	5.3%	5.7%
(Not Reported)	-	-	-	-
Boarded Up/Broken Windows in Neighborhood	4.5%	3.3%	5.1%	5.3%
No Boarded Up/Broken Windows in Neighborhood	95.5%	96.7%	94.9%	94.7%
(Not Reported)	-	-	-	-

@ All housing units, including owners and renters.

Totals may not add to 100% due to rounding.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Maintenance Quality (Units Experiencing:)
20.4%	18.3%	13.6%	17.7%	24.1%	19.4%	14.3%	Additional Heating Required
79.6%	81.7%	86.4%	82.3%	75.9%	80.6%	85.7%	Additional Heating Not Required
-	-	-	-	-	-	-	(Not Reported)
18.9%	14.5%	15.5%	9.3%	18.5%	13.8%	10.2%	Heating Breakdowns
81.1%	85.5%	84.5%	90.7%	81.5%	86.2%	89.8%	No Breakdowns
-	-	-	-	-	-	-	(Not Reported)
21.2%	14.6%	24.0%	13.0%	22.2%	11.0%	9.5%	Broken Plaster/Peeling Paint
78.8%	85.4%	76.0%	87.0%	77.8%	89.0%	90.5%	No Broken Plaster/Peeling Paint
-	-	-	-	-	-	-	(Not Reported)
22.9%	10.7%	20.7%	11.3%	20.8%	13.1%	8.5%	Cracked Interior Walls or Ceilings
77.1%	89.3%	79.3%	88.7%	79.2%	86.9%	91.5%	No Cracked Interior Walls or Ceilings
-	-	-	-	-	-	-	(Not Reported)
14.2%	4.5%	11.4%	3.7%	7.1%	7.2%	5.0%	Holes in Floor
85.8%	95.5%	88.6%	96.3%	92.9%	92.8%	95.0%	No Holes in Floor
-	-	-	-	-	-	-	(Not Reported)
39.2%	24.6%	30.9%	25.0%	30.8%	36.5%	16.4%	Rodent Infestation
60.8%	75.4%	69.1%	75.0%	69.2%	63.5%	83.6%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
47.2%	39.2%	36.9%	36.5%	63.1%	39.6%	21.1%	Cockroach Infestation
52.8%	60.8%	63.1%	63.5%	36.9%	60.4%	78.9%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
14.8%	13.5%	10.7%	17.4%	18.6%	16.0%	10.3%	Toilet Breakdown
85.2%	86.5%	89.3%	82.6%	81.4%	84.0%	89.7%	No Toilet Breakdown
-	-	-	-	-	-	-	(Not Reported)
26.9%	17.7%	24.0%	13.9%	21.4%	19.6%	12.7%	Water Leakage Inside Unit
73.1%	82.3%	76.0%	86.1%	78.6%	80.4%	87.3%	No Water Leakage
-	-	-	-	-	-	-	(Not Reported)
35.1%	47.2%	41.3%	49.3%	34.9%	41.5%	58.6%	Units in Buildings w. No Maintenance Defects
24.2%	25.5%	24.3%	21.4%	26.5%	28.8%	22.3%	Units in Buildings w. 1 Maintenance Defect
14.8%	12.7%	15.2%	17.3%	14.9%	9.8%	9.5%	Units in Buildings w. 2 Maintenance Defects
11.0%	7.2%	10.8%	7.1%	12.0%	8.8%	5.5%	Units in Buildings w. 3 Maintenance Defects
8.0%	4.6%	2.9%	2.3%	6.2%	6.3%	1.8%	Units in Buildings w. 4 Maintenance Defects
6.9%	2.8%	5.5%	2.6%	5.5%	4.7%	2.3%	Units in Buildings w. 5+ Maintenance Defects
-	-	-	-	-	-	-	(Not Reported)
							Condition of Neighboring Buildings
12.0%	18.7%	19.5%	21.4%	3.6%	14.2%	22.3%	Excellent
52.7%	58.3%	54.5%	51.3%	47.1%	53.5%	60.0%	Good
28.5%	19.9%	21.0%	22.6%	35.8%	24.1%	15.2%	Fair
6.8%	3.1%	5.0%	4.7%	13.4%	8.2%	2.5%	Poor Quality
-	-	-	-	-	-	-	(Not Reported)
6.6%	2.3%	6.9%	2.7%	4.3%	3.3%	5.3%	Boarded Up/Broken Windows in Neighborhood
93.4%	97.7%	93.1%	97.3%	95.7%	96.7%	94.7%	No Boarded Up/Broken Windows in Neighborhood
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

Totals may not add to 100% due to rounding.

E.1 Interest Rates and Terms for New and Refinanced Mortgages, 2010

	New Mortgages					Refinanced Mortgages				
Institution	Rate (%)	Points	Term (yrs)	Type	Volume	Rate (%)	Points	Term (yrs)	Type	Volume
7	6.00%	0.0	5 to 10 yrs, 15 to 30 yrs §	fixed	36	6.00%	0.0	5 to 10 yrs, 15 to 30 yrs §	fixed	3
11	NR	NR	NR	both	NR	NR	NR	NR	both	NR
14	5.50%	0.0	5 & 5 yrs	adj	NR	5.50%	0.0	5 & 5 yrs	adj	NR
15	NR	1.5	5/7/10/15/20/30 yrs	fixed	NR	NR	1.5	5/7/10/15/20/30 yrs	fixed	NR
16	NR	NR	NR	NR	6	NA	NA	NA	NA	NA
18	NR	NR	NR	NR	NR	NA	NA	NA	NA	NA
28	5.50%	1.0	5-30 yrs	both	25	5.50%	1.4	5-30 yrs	both	15
30	6.00%	1.5	30 yrs	fixed	30	6.00%	1.5	30 yrs	fixed	15
35	6.50%	0.5	15 yrs	fixed	32	6.50%	0.5	15 yr	fixed	26
36	5.88%	1.0	✚	fixed	4	5.88%	1.0	✚	fixed	4
37	8.15%	1.5	120/180/240 yrs	fixed	2	8.25%	1.5	120/180/240 yrs	fixed	2
40	8.38%	2.0	15 yrs or 10/25 yrs *	fixed	5	8.38%	2.0	15 yrs or 10/25 yrs *	fixed	2
117	5.50%	0.0	5 yrs	fixed	90	5.50%	0.0	5 yrs	fixed	50
208	5.88%	0.0	5 + 5 yrs	fixed	10	5.88%	0.0	5 + 5 yrs	fixed	3
301	5.75%	0.5	5, 7 over 25 yrs	adj	5	5.75%	0.5	5, 7 over 25 yrs	adj	3
AVERAGE	**6.28%**	**0.79**	**†**	**†**	**22**	**6.28%**	**0.83**	**†**	**†**	**12**

§ Amortization **Adj** = adjustable rate mortgage † No average computed **NR** = no response to this question * Balloon
NA = Lender did not offer refinancing in 2009 ✚ 10 yr term/9.5 yrs yield maint, 30 yr §
Note: The average for interest rates and points is calculated by using the midpoint when a range of values is given by the lending institution.

Source: 2010 Rent Guidelines Board Mortgage Survey

E.2 Typical Characteristics of Rent Stabilized Buildings, 2010

Lending Institution	Maximum Loan-to-Value Standard	Debt Service Coverage	Vacancy & Collection Losses	Typical Building Size	Average Monthly O&M Cost/Unit	Average Monthly Rent/Unit
7	75%	1.30	5%	50-99	$1,026	$1,175
11	75%	1.50	NR	1-10	NR	NR
14	75%	1.20	5%	20-49	$1,000	$1,000
15	80%	1.20	5%	20-49	$750	$1,450
16	75%	1.20	8%	20-49	$400	$850
18	NR	NR	8%	20-49	$500	$825
28	80%	1.25	5%	100+	$500	$1,100
30	80%	1.25	3%	20-49	$600	$800
35	65%	1.15	3%	11-19	$295	$950
36	78%	1.25	5%	100+	$775	$1,500
37	70%	1.20	NR	NR	$250	$500
40	60%	1.30	4%	1-10	$380	$995
117	75%	1.25	5%	50-99	$550	$900
208	73%	1.30	3%	1-10	$365	$890
301	70%	1.25	5%	20-49	$650	$2,300
AVERAGE	**73.6%**	**1.26**	**4.92%**	**†**	**$574**	**$1,088**

NR indicates no response to this question † No average computed.

Note: Average loan-to-value (LTV) and debt service coverage ratios were calculated using the midpoint when a range was given by the lending institution.

Source: 2010 Rent Guidelines Board Mortgage Survey

E.3 Interest Rates and Terms for New Financing, Longitudinal Study, 2009-2010

	Interest Rates		Points		Term		Type	
Lending Inst.	2010	2009	2010	2009	2010	2009	2010	2009
7	6.00%	6.00%	0.0	0.0	5 to 10 yr, 15 to 30 yr §	5 to 10 yr; 15 to 30 yr §	fixed	fixed
14	5.50%	6.00%	0.0	0.0	5 & 5 yrs	5 & 5 yrs	adj	adj
15	NR	NR	1.5	1.5	5/7/10/15/20/30 yrs	5/7/10/15/20/25/30 yrs	fixed	fixed
16	NR	6.38%	NR	0.0	NR	5+5/30	NR	adj
18	NR	NR	NR	NR	NR	NR	NR	NR
28	5.50%	6.25%	1.0	1.0	5-30 yrs	10 yrs	both	fixed
30	6.00%	6.25%	1.5	1.0	30 yrs	Up to 30 yrs	fixed	fixed
35	6.50%	7.75%	0.5	0.5	15 yrs	15 yrs	fixed	fixed
36	5.88%	6.25%	1.0	0.8	+	10 yr term/30 yr §	fixed	fixed
37	8.15%	7.60%	1.5	1.5	120/180/240 yrs	120/180/240	fixed	NR
40	8.38%	7.00%	2.0	2.0	15 yr or 10/25 yrs *	15 yr or 10/25 yrs *	fixed	fixed
117	5.50%	6.00%	0.0	0.0	5 yrs	5 yrs	fixed	fixed
208	5.88%	6.50%	0.0	0.0	5 + 5 yrs	5 yrs, 30 yrs §	fixed	fixed
301	5.75%	6.00%	0.5	0.5	5, 7 over 25 yrs	5/25 yrs	adj	fixed
AVERAGE	**6.28%**	**6.50%**	**0.79**	**0.67**	**†**	**†**	**†**	**†**

NR indicates no response to this question † No average computed § Amortization * Balloon

Adj = adjustable rate mortgage + 10 yr term/9.5 yrs yield maint, 30 yr §

Note: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution.

Source: 2009 and 2010 Rent Guidelines Board Mortgage Surveys

E.4 Interest Rates and Terms for Refinanced Loans, Longitudinal Study, 2009-2010

	Interest Rates		Points		Term		Type	
Lending Inst.	2010	2009	2010	2009	2010	2009	2010	2009
7	6.00%	6.00%	0.0	0.0	5 to 10 yr, 15 to 30 yr §	5 to 10 yr; 15 to 30 yr §	fixed	fixed
14	5.50%	6.00%	0.0	0.0	5 & 5 yrs	5 & 5	adj	adj
15	NR	NR	1.5	1.5	5/7/10/15/20/30 yrs	5/7/10/15/20/25/30 yrs	fixed	fixed
16	NA	6.38%	NA	0.0	NA	5+5/30	NA	adj
18	NA	NA	NA	NA	NA	NA	NA	NA
28	5.50%	6.25%	1.4	1.0	5-30 yrs	10 yrs	both	fixed
30	6.00%	6.25%	1.5	1.0	30 yrs	Up to 30 yrs	fixed	fixed
35	6.50%	7.75%	0.5	0.5	15 yrs	15 yrs	fixed	fixed
36	5.88%	6.25%	1.0	0.75	+	10 yr term/30 yr §	fixed	fixed
37	8.25%	7.90%	1.5	1.5	120/180/240 yrs	120/180/240	fixed	NR
40	8.38%	7.00%	2.0	2.0	15 yrs or 10/25 yrs*	15 yr or 10/25 yrs*	fixed	fixed
117	5.50%	6.00%	0.0	0.0	5 yrs	5 yrs	fixed	fixed
208	5.88%	6.50%	0.0	0.0	5 + 5 yrs	5 yrs, 30 yr §	fixed	fixed
301	5.75%	6.00%	0.5	0.5	5, 7 over 25 yrs	5/25 yrs	adj	fixed
AVERAGE	**6.28%**	**6.52%**	**0.83**	**0.67**	**†**	**†**	**†**	**†**

NR indicates no response to this question † No average computed § Amortization * Balloon

NA = Lender did not offer refinancing **Adj** = adjustable rate mortgage + 10 yr term/9.5 yrs yield maint, 30 yr §

Note: Averages for interest rates and points are calculated by using the midpoint when a range of values were given by the lending institution.

Source: 2009 and 2010 Rent Guidelines Board Mortgage Surveys

E.5 Lending Standards and Relinquished Rental Income, Longitudinal Study, 2009-2010

	Max Loan-to-Value		Debt Service Coverage		V&C Losses	
Lending Inst.	2010	2009	2010	2009	2010	2009
7	75%	75%	1.30	1.30	5%	5%
14	75%	75%	1.20	1.20	5%	3%
15	80%	80%	1.20	1.25	5%	5%
16	75%	80%	1.20	1.20	8%	8%
18	NR	NR	NR	NR	8%	8%
28	80%	75%	1.25	1.25	5%	6%
30	80%	80%	1.25	1.25	3%	3%
35	65%	65%	1.15	1.15	3%	3%
36	78%	80%	1.25	1.25	5%	4%
37	70%	70%	1.20	1.20	2%	2%
40	60%	68%	1.30	1.20	3%	4%
117	75%	75%	1.25	1.25	5%	5%
208	73%	75%	1.30	1.25	3%	3%
301	70%	70%	1.25	1.25	5%	3%
AVERAGE	**73.5%**	**74.4%**	**1.24**	**1.23**	**4.64%**	**4.43%**

NR indicates no response to this question

Note: Average loan-to-value and debt service coverage ratios are calculated using the midpoint when a range is given by the lending institution.

Source: 2009 and 2010 Rent Guidelines Board Mortgage Surveys

E.6 Retrospective of New York City's Housing Market, 1982-2010

Year	Interest Rates for New Mortgages	Permits for New Housing Units in NYC and northern suburbs	Permits for New Housing Units in NYC only
1982	16.3%	11,598 **b**	7,649
1983	13.0%	17,249 **b**	11,795
1984	13.5%	15,961	11,566
1985	12.9%	25,504	20,332
1986	10.5%	15,298	9,782
1987	10.2%	18,659	13,764
1988	10.8%	13,486	9,897
1989	12.0%	13,896	11,546
1990	11.2%	9,076	6,858
1991	10.7%	6,406	4,699
1992	10.1%	5,694	3,882
1993	9.2%	7,314	5,173
1994	8.6%	6,553	4,010
1995	10.1%	7,296	5,135
1996	8.6%	11,457	8,652
1997	8.8%	11,619	8,987
1998	8.5%	13,532	10,387
1999	7.8%	15,326	12,421
2000	8.7%	18,077	15,050
2001	8.4%	19,636	16,856
2002	7.4%	21,423	18,500
2003	6.2%	23,778	21,218
2004	5.8%	27,695	25,208
2005	5.5%	33,606	31,599
2006	6.3%	32,609	30,927
2007	6.3%	34,514	31,902
2008	6.1%*	34,715	33,911
2009	6.5%	6,662 Ø	6,057 Ø
2010	6.3%	•	•

b Prior to 1984, Bergen Co., NJ permit figures are included. **Ø** Figures are preliminary.

* The 2008 figure has been revised from that which was originally published due to the exclusion of one government lender

Notes: Interest rate data was collected in January-February and represents a 12-month average of the preceding year. Permit data is for the entire 12-month period of the shown year. The northern suburbs include Putnam, Rockland, and Westchester counties.

Sources: Rent Guidelines Board, Annual Mortgage Surveys; U.S. Bureau of the Census, Manufacturing & Construction Division, Residential Construction Branch.

E.7 2010 Survey of Mortgage Financing for Multifamily Properties

I. Financing Availability and Terms for Multifamily Buildings

1a. Do you currently offer **new permanent financing** (*i.e.*, loans secured by a property not previously mortgaged by your institution) for *rent stabilized buildings*?

❑ **Yes.** (*Indicate typical terms and conditions at right.*)

❑ **No.**

Interest rate : ____________ % (current) ____________ % (12 mo. average for 2009)

Points : __________

Terms : __________

Type: Fixed / Adjustable (*circle one*)

Special conditions: ______________________

1b. How many loans were made by your institution in 2009 for new permanent financing of *rent stabilized buildings*?

Number of loans: ____________________

2a. Do you currently offer **refinancing** of mortgages on *rent stabilized buildings*?

❑ **Yes.** (*Indicate typical terms and conditions at right.*)

❑ **No.** (*Skip to question 4a if you do not offer refinancing.*)

Interest rate : ____________ % (current) ____________ % (12 mo. average for 2009)

Points : __________

Terms : __________

Type: Fixed / Adjustable (*circle one*)

Special conditions: ______________________ (if any)

2b. How many loans did your institution refinance in 2009 for *rent stabilized buildings*?

Number of loans: ____________________

3a. In the past year, has the total **volume of new and refinanced loans** underwritten by your institution changed significantly (by at least 5%)?

❑ Yes, we have experienced a significant ____________ (increase / decrease) of about ________ %.

❑ No, it is about the same. (*Please skip Question 3b*).

3b. If loan volume has changed significantly, is the change attributable to:

(*Please check and fill in all applicable choices.*)

❑ A significant ______________ (increase / decrease) in the volume of loan **applications** of about ________ %.

❑ A significant ______________ (increase / decrease) in the rate of application **approvals** of about ________ %.

Are there any trends related to financing availability and terms on which you wish to comment?

____

____

____

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II. Underwriting Criteria for Rent Stabilized Buildings

4a. What **standards** does your institution employ when assessing loan applications for *rent stabilized buildings*?

(*Provide the* ***maximum*** *criteria.*)

	N.A.
Loan-to-Value Ratio: ______________	❑
Debt Service Coverage: ______________	❑
Appraised Value of Building: ______________	❑

4b. Please provide any **other standards** your institution employs when assessing loan applications. If you do not employ the standard given, place an "X" in the "N.A." column.

(*Indicate an* ***average, minimum, or maximum*** *criteria.*)

	N.A.
Number of Units in Building: __________	❑
Building Age: ______________	❑
Borrower Lives in Building: __________	❑
Overall Building Maintenance: __________	❑
Co-op / Condo Conversion Potential: __________	❑
Other (*Please Specify*): ______________	❑

5. Did your institution change its **underwriting practices** for financing or refinancing *rent stabilized buildings* over the past year?

❑ Yes.

❑ No. (*If no, please skip to Question 7*).

6. Yes, we changed our underwriting practices for *rent stabilized buildings* to:

(*Please check and fill in all applicable choices.*)

❑ Use __________ (more / less) stringent approvals.

❑ Require __________ (higher / lower) fees (i.e., points or fees).

❑ ______________ (Increase / Decrease) loan-to-value ratio.

❑ ______________ (Increase / Decrease) monitoring requirements.

❑ ______________ (Discontinue / Reduce / Expand) lending to rent stabilized buildings.

❑ Other : ______________________

III. Additional Mortgage Questions

7. How many **dwelling units** are contained in the average *rent stabilized building* financed by your institution? (*Please check only one.*)

❑ 1 -10 ❑ 11 - 19 ❑ 20 - 49
❑ 50 - 99 ❑ 100 or more

8. Which of the following best describes the average **vacancy and collection loss** for *rent stabilized buildings* during the past year? (*Please check only one.*)

❑ < 1% ❑ 1% ❑ 2%
❑ 3% ❑ 4% ❑ 5%
❑ 6% ❑ 7% ❑ > 7%

9. Approximately what percentage of your loans to *rent stabilized buildings* are currently **non-performing**?

❑ None

❑ Approximately ________ %.

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10. Approximately what percentage of your loans to *rent stabilized buildings* are currently in **foreclosure**?

❑ None

❑ Approximately ________ %.

11a. Does your institution retain the mortgages you offer or do you sell any to secondary markets?

❑ We retain all the mortgages sold. (*If so, please skip to question 12.*)

❑ We sell all our mortgages to secondary markets.

❑ We sell ____% of our mortgages to secondary markets.

11b. To whom do you sell your mortgages? (*Please check and fill in all applicable choices.*)

❑ Fannie Mae

❑ Freddie Mac

❑ Other: ______________________

____

____

12. In your sector, who are your major competitors in multi-family lending?

____

____

13. Do the mortgages offered to *rent stabilized buildings* include any commercial space?

❑ No

❑ Yes. Approximately what percentage of buildings in your portfolio have commercial space? ________%

14. What is your best estimate of average **operating and maintenance costs** per unit per month in the *rent stabilized buildings* financed by your institution?

$ ______________ ***per unit per month***

(*Include the following operating and maintenance costs in your estimate: Real Estate & Other Taxes, Labor, Fuel, Utilities, Contractor Services, Administration — including Legal, Management and other costs — Insurance, Parts & Supplies, and Replacement Costs.*)

15. What is your best estimate of average **rent** per unit per month in the *rent stabilized buildings* financed by your institution?

$ ______________ ***per unit per month***

16. Do any of your lending or underwriting standards differ for *rent stabilized buildings* as opposed to non-stabilized multifamily properties? (*Please check all that apply*)

New Financing Rates:	❑ Higher	❑ Lower	❑ Same
Refinancing Rates:	❑ Higher	❑ Lower	❑ Same
Loan-to-Value Ratio:	❑ Higher	❑ Lower	❑ Same
Debt Service Coverage:	❑ Higher	❑ Lower	❑ Same

17. On average, how does your portfolio of *rent stabilized buildings* perform as compared with expectations at the time of the initial loan originations? (*Please check all that apply*)

Net Operating Income:	❑ Better	❑ Worse	❑ Same
Debt Service Coverage:	❑ Better	❑ Worse	❑ Same
O&M Expenses:	❑ Better	❑ Worse	❑ Same

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18. Please estimate, *on average*, what percentage of Net Operating Income goes towards payment of debt service?

____________%.

19. Please estimate the *average* mortgage loan payment per unit per month for a *typical* building in your portfolio:

$ ____________.

20. Are there any additional trends relating to underwriting criteria, non-performing loans & foreclosure, or the mortgage market in general on which you wish to comment?

____

____

____

____

Thank you for taking the time to complete the survey.

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E.8 Rent Stabilized Building Median Sales Price and Sales Volume, by Borough and Building Size, and Percent Change, 2008-2009

	2008 Median Sale Price	2009 Median Sale Price	Percent Change from 2008-09	2008 # of Sales	2009 # of Sales	Percent Change from 2008-09
Citywide						
All buildings*	$1,951,000	$1,350,000	-	1,021	521	-49.0%
6-10 units	$828,500	$755,000	-8.9%	416	236	-43.3%
11-19 units	$1,875,000	$1,674,114	-10.7%	141	72	-48.9%
20-99 units	$3,825,094	$2,800,000	-26.8%	428	202	-52.8%
Bronx						
All buildings*	$2,435,000	$1,904,253	-	171	100	-41.5%
6-10 units	$750,000	$650,000	-13.3%	31	15	-51.6%
11-19 units	$1,080,000	-	-	20	8	-60.0%
20-99 units	$3,444,000	$2,473,750	-28.2%	117	76	-35.0%
Brooklyn						
All buildings*	$977,500	$880,000	-	426	199	-53.3%
6-10 units	$765,000	$650,000	-15.0%	253	122	-51.8%
11-19 units	$1,350,000	$1,460,000	8.1%	37	22	-40.5%
20-99 units	$3,500,000	$2,537,500	-27.5%	127	50	-60.6%
Manhattan						
All buildings*	$3,850,000	$3,658,356	-	243	146	-39.9%
6-10 units	$3,390,552	$2,900,000	-14.5%	63	47	-25.4%
11-19 units	$3,250,000	$3,200,000	-1.5%	57	33	-42.1%
20-99 units	$4,511,925	$4,550,000	0.8%	102	63	-38.2%
Queens						
All buildings*	$1,626,304	$852,500	-	181	76	-58.0%
6-10 units	$800,000	$700,000	-12.5%	69	49	-29.0%
11-19 units	$1,875,000	-	-	27	9	-66.7%
20-99 units	$5,062,500	-	-	82	13	-84.1%

Notes: The percent change in median sales price citywide and by borough were not calculated due to the variation in the median building size from year to year. Staten Island buildings; Bronx and Queens 11-19 unit buildings; Queens 20-99 unit buildings; as well as all 100+ unit buildings, are excluded due to the small number of buildings sold.

* "All buildings" totals include buildings with 100 or more units. Therefore, these figures may not equal the sum of their subsets. In addition, citywide figures do not contain Staten Island building sales.

Source: NYC Department of Finance

E.9 Rent Stabilized Building Sales Volume, Citywide and by Borough, and Percent Change, 2003-2009

	2003	2004	2005	2006	2007	2008	2009
Citywide	**1,481**	**1,728**	**1,816**	**1,433**	**1,474**	**1,021**	**521**
% Change from Prior Yr	***-***	***16.7%***	***5.1%***	***-21.1%***	***2.9%***	***-30.7%***	***-49.0%***
Bronx	203	269	264	224	319	171	100
% Change from Prior Yr	-	*32.5%*	*-1.9%*	*-15.2%*	*42.4%*	*-46.4%*	*-41.5%*
Brooklyn	678	730	750	593	520	426	199
% Change from Prior Yr	-	*7.7%*	*2.7%*	*-20.9%*	*-12.3%*	*-18.1%*	*-53.3%*
Manhattan	418	480	598	403	470	243	146
% Change from Prior Yr	-	*14.8%*	*24.6%*	*-32.6%*	*16.6%*	*-48.3%*	*-39.9%*
Queens	182	249	204	213	165	181	76
% Change from Prior Yr	-	*36.8%*	*-18.1%*	*4.4%*	*-22.5%*	*9.7%*	*-58.0%*

Note: Staten Island buildings are excluded due to the small number of buildings sold.

Source: NYC Department of Finance

F.1 Average Annual Employment Statistics by Area, 1998-2009

Unemployment Rate	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Bronx	9.9%	8.2%	7.2%	7.4%	9.8%	10.0%	9.2%	7.5%	6.6%	6.6%	7.3%	12.2%
Brooklyn	9.3%	8.0%	6.4%	6.6%	8.7%	9.0%	7.6%	6.2%	5.3%	5.3%	5.8%	10.1%
Manhattan	6.7%	5.9%	5.1%	5.7%	7.7%	7.5%	6.2%	5.0%	4.3%	4.2%	4.7%	8.5%
Queens	6.9%	6.1%	5.3%	5.4%	7.2%	7.4%	6.3%	5.2%	4.5%	4.4%	4.9%	8.6%
Staten Island	6.9%	5.8%	5.1%	5.2%	7.0%	7.4%	6.4%	5.2%	4.5%	4.4%	4.9%	8.4%
NYC	**7.9%**	**6.9%**	**5.8%**	**6.1%**	**8.0%**	**8.3%**	**7.1%**	**5.8%**	**5.0%**	**4.9%**	**5.4%**	**9.5%**
U.S.	**4.5%**	**4.2%**	**4.0%**	**4.7%**	**5.8%**	**6.0%**	**5.5%**	**5.1%**	**4.6%**	**4.6%**	**5.8%**	**9.3%**
Labor Force Participation Rate												
NYC Δ	58.7%	59.0%	59.0%	58.7%	59.3%	58.8%	58.5%	58.7%	59.1%	59.4%	59.9%	56.2%
U.S.	67.1%	67.1%	67.1%	66.8%	66.6%	66.2%	66.0%	66.0%	66.2%	66.0%	66.0%	63.1%
Employment-Population Ratio												
NYC Δ	54.0%	54.9%	55.6%	55.2%	54.6%	54.0%	54.4%	55.3%	56.2%	56.5%	56.6%	55.3%
U.S.	64.1%	64.3%	64.4%	63.7%	62.7%	62.3%	62.3%	62.7%	63.1%	63.0%	62.2%	59.3%
Gross City Product (NYC)												
(billions, in 2005 $)	416.8	438	459	477.5	471.4	466.9	477.2	497	526.4	558.9	565.4	548.2
% Change	5.41%	5.09%	4.79%	4.03%	-1.28%	-0.95%	2.21%	4.15%	5.92%	6.17%	1.16%	-3.04%
Gross Domestic Product (U.S.)												
(billions, in 2000 $)	10,283.5	10,779.8	11,226.0	11,347.2	11,553.0	11,840.7	12,263.8	12,638.4	12,976.2	13,254.1	13,312.2	12,990.3
% Change	4.36%	4.83%	4.14%	1.08%	1.81%	2.49%	3.57%	3.1%	2.7%	2.1%	0.4%	-2.4%

Notes: The New York City Comptroller's Office revises the Gross City Product periodically. The GCP & GDP figures presented here may not be the same as those reported in prior years. Note that GCP and GDP figures are preliminary.

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis, U.S. Dept. of Commerce; NYS Dept. of Labor; NYC Comptroller's Office.

Δ Unpublished data from the Bureau of Labor Statistics. These figures are revised periodically.

F.2 Average Payroll Employment by Industry for NYC, 2000-2009 (in thousands)

Industry Employment	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2008-2009 Change
Manufacturing	176.8	155.5	139.4	126.6	120.8	113.9	106.1	101.0	95.6	82.6	-13.6%
Construction, Natural Resources & Mining Δ	120.5	122.1	115.8	112.7	111.8	113.3	118.5	127.3	132.7	120.5	-9.2%
Trade, Transport & Utilities	569.6	557.4	536.5	533.6	539.3	547.5	558.3	569.7	573.7	548.6	-4.4%
Leisure & Hospitality	256.7	260.1	255.3	260.3	270.1	276.7	284.9	297.8	310.2	307.9	-0.7%
Financial Activities	488.8	473.6	445.1	433.6	435.5	445.1	458.3	467.6	465.0	434.9	-6.5%
Information	187.3	200.4	176.9	163.9	160.2	162.8	164.6	165.5	167.1	161.1	-3.6%
Professional & Business Svcs.	586.5	581.9	550.4	536.6	541.6	555.6	571.8	593.2	605.4	572.6	-5.4%
Educational & Health Svcs.	615.2	627.1	646.0	658.2	665.3	678.8	694.7	705.1	719.0	734.6	2.2%
Other Services	147.4	148.7	149.7	149.1	150.5	153.2	154.3	157.7	160.8	159.7	-0.7%
Total Private Sector	3,148.8	3,126.7	3,015.0	2,974.5	2,995.0	3,046.9	3,111.4	3,184.8	3,229.5	3,122.5	-3.3%
Government ‡	568.9	562.4	566.2	556.6	554.4	555.6	555.2	559.0	564.1	565.0	0.2%
City of New York	451.8	450.8	456.2	448.3	447.9	449.8	450.4	453.9	458.5	460.1	0.3%
Total	**3,717.7**	**3,689.1**	**3,581.1**	**3,531.1**	**3,549.4**	**3,602.5**	**3,666.6**	**3,743.8**	**3,793.6**	**3,687.5**	**-2.8%**

Notes: Totals may not add up due to rounding. Figures may have been revised from prior years by the NYS Department of Labor. Total excludes farm employment but includes unclassified jobs.

Δ Beginning in 2005, Construction and Natural Resources & Mining are no longer two separate employment sectors. Prior year figures reflect that change.

‡ Government includes federal, state, and local (City of New York) jobs located in New York City. Local government figures have been revised from prior years to include those employed by the City of New York as well as city-based public corporations such as the HHC (Health and Hospitals Corporation) and the MTA.

Source: NYS Department of Labor

F.3 Average Real Wage Rates by Industry for NYC, 2000-2008 (2008 dollars)

NAICS CLASSIFICATION SYSTEM

Industry	2000	2001	2002	2003	2004	2005	2006	2007	2008	2007-08 % Change
Construction	$67,388	$69,763	$68,910	$68,653	$65,845	$64,642	$65,247	$67,488	$68,310	1.2%
Manufacturing	$46,141	$48,091	$49,628	$50,929	$51,879	$53,559	$51,776	$54,761	$52,752	-3.7%
Transportation	$49,966	$51,389	$51,636	$50,461	$49,278	$47,394	$47,187	$48,717	$47,160	-3.2%
Trade	$49,915	$50,142	$49,940	$49,683	$49,335	$49,419	$49,448	$50,447	$48,088	-4.7%
FIRE	$184,472	$187,350	$166,358	$161,251	$180,723	$185,878	$208,587	$237,212	$223,618	-5.7%
Services	$55,431	$55,118	$54,079	$54,296	$54,927	$55,084	$55,639	$56,929	$56,715	-0.4%
Information	$97,120	$99,127	$96,207	$100,508	$102,399	$103,094	$104,658	$106,357	$105,721	-0.6%
Private Sector	$79,528	$80,230	$75,841	$74,484	$77,534	$78,521	$82,322	$88,080	$84,911	-3.6%
Government	$58,712	$58,695	$58,461	$58,631	$59,230	$57,344	$55,847	$55,673	$54,617	-1.9%
Total Industries	**$76,358**	**$76,928**	**$73,058**	**$71,956**	**$74,642**	**$75,222**	**$78,275**	**$83,213**	**$80,378**	**-3.4%**

Note: The New York State Department of Labor revises the statistics annually. Real wages reflect 2008 dollars and differ from those found in this table in prior years.

Source: New York State Department of Labor, Research and Statistics Division.

F.4 Average Nominal Wage Rates by Industry for NYC, 2000-2008

NAICS CLASSIFICATION SYSTEM

Industry	2000	2001	2002	2003	2004	2005	2006	2007	2008	2007-08 % Change
Construction	$52,160	$55,359	$56,085	$57,594	$57,193	$58,314	$61,073	$64,957	$68,310	5.2%
Manufacturing	$35,714	$38,162	$40,392	$42,725	$45,062	$48,316	$48,464	$52,707	$52,752	0.1%
Transportation	$38,675	$40,779	$42,026	$42,332	$42,803	$42,754	$44,169	$46,890	$47,160	0.6%
Trade	$38,635	$39,789	$40,646	$41,680	$42,852	$44,581	$46,285	$48,556	$48,088	-1.0%
FIRE	$142,785	$148,668	$135,397	$135,275	$156,975	$167,681	$195,245	$228,316	$223,618	-2.1%
Services	$42,904	$43,738	$44,014	$45,549	$47,710	$49,691	$52,080	$54,794	$56,715	3.5%
Information	$75,173	$78,660	$78,302	$84,317	$88,944	$93,002	$97,963	$102,369	$105,721	3.3%
Private Sector	$61,556	$63,665	$61,726	$62,485	$67,346	$70,834	$77,056	$84,777	$84,911	0.2%
Government	$45,444	$46,576	$47,581	$49,186	$51,447	$51,730	$52,275	$53,585	$54,617	1.9%
Total Industries	**$59,103**	**$61,045**	**$59,461**	**$60,365**	**$64,834**	**$67,858**	**$73,268**	**$80,092**	**$80,378**	**0.4%**

Note: The New York State Department of Labor revises the statistics annually.

Source: New York State Department of Labor, Research and Statistics Division.

F.5 New York City Population Statistics, 1900-2009

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Citywide	Citywide Change from Prior Decade
1900	200,507	1,166,582	1,850,093	152,999	67,021	3,437,202	--
1910	430,980	1,634,351	2,331,542	284,041	85,969	4,766,883	38.7%
1920	732,016	2,018,356	2,284,103	469,042	116,531	5,620,048	17.9%
1930	1,265,258	2,560,401	1,867,312	1,079,129	158,346	6,930,446	23.3%
1940	1,394,711	2,698,285	1,889,924	1,297,634	174,441	7,454,995	7.6%
1950	1,451,277	2,738,175	1,960,101	1,550,849	191,555	7,891,957	5.9%
1960	1,424,815	2,627,319	1,698,281	1,809,578	221,991	7,781,984	-1.4%
1970	1,471,701	2,602,012	1,539,233	1,986,473	295,443	7,894,862	1.5%
1980	1,168,972	2,230,936	1,428,285	1,891,325	352,121	7,071,639	-10.4%
1990	1,203,789	2,300,664	1,487,536	1,951,598	378,977	7,322,564	3.5%
2000	1,334,381	2,466,952	1,539,610	2,231,845	445,562	8,018,350	9.5%
2009	**1,397,287**	**2,567,098**	**1,629,054**	**2,306,712**	**491,730**	**8,391,881**	**4.7%**Δ

Note: 1900-1990 figures as of April 1 of each year. 2000-2009 figures is of July 1 of that year. Percent population change between 1990 and 2000 has not been adjusted to take into account the increased number of households surveyed for the 2000 Census.

Δ Percentage change is from 2000-2009. Source: U.S. Census Bureau, Population Division

F.6 Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 1999-2009

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
March	175.5	181.5	186.4	191.1	197.1	203.4	212.4	218.2	224.6	233.1	235.1
June	176.8	182.0	188.3	191.5	196.9	206.0	210.7	222.6	228.3	238.6	237.2
September	178.2	184.4	188.0	193.3	199.6	205.9	215.8	222.9	228.3	240.1	238.6
December	178.6	184.2	187.3	193.1	199.3	206.8	214.2	221.3	229.4	233.0	238.4
Quarterly Average	177.3	183.0	187.5	192.3	198.2	205.5	213.3	221.3	227.6	236.2	237.3
Yearly Average	**177.0**	**182.5**	**187.1**	**191.9**	**197.8**	**204.8**	**212.7**	**220.7**	**226.9**	**235.8**	**236.8**

12-month percentage change in the CPI

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
March	1.45%	3.42%	2.70%	2.52%	3.14%	3.20%	4.42%	2.73%	2.91%	3.82%	0.83%
June	2.14%	2.94%	3.46%	1.70%	2.82%	4.62%	2.28%	5.65%	2.54%	4.52%	-0.59%
September	2.18%	3.48%	1.95%	2.82%	3.26%	3.16%	4.81%	3.29%	2.43%	5.16%	-0.63%
December	2.23%	3.14%	1.68%	3.10%	3.21%	3.76%	3.58%	3.31%	3.66%	1.58%	2.32%
Quarterly Average	2.00%	3.24%	2.45%	2.53%	3.11%	3.68%	3.77%	3.74%	2.88%	3.77%	0.47%
Yearly Average	**1.96%**	**3.11%**	**2.52%**	**2.57%**	**3.07%**	**3.54%**	**3.86%**	**3.76%**	**2.83%**	**3.90%**	**0.44%**

Source: U.S. Bureau of Labor Statistics; Base Period: 1982-1984=100

F.7 Housing Court Actions, 1988-2009

Year	Filings	Calendared	Evictions & Possessions
1988	299,000	92,000	24,230
1989	299,000	99,000	25,188
1990	297,000	101,000	23,578
1991	302,000	114,000	20,432
1992	289,000	122,000	22,098
1993	295,000	124,000	21,937
1994	294,000	123,000	23,970
1995	266,000	112,000	22,806
1996	278,000	113,000	24,370
1997	274,000	111,000	24,995
1998	278,156	127,851	23,454
1999	276,142	123,399	22,676
2000	276,159	125,787	23,830
2001	277,440	130,897	21,369*
2002	331,309	132,148	23,697
2003	318,077	133,074	23,236
2004	261,085	121,999	22,010
2005	261,457	119,265	21,945
2006	256,747	122,379	23,491
2007	251,390	121,793	24,171
2008	246,147	120,420	24,600
2009	**251,871**	**123,149**	**26,449**

Note: "Filings" reflect non-payment proceedings initiated by rental property owners, while "Calendared" reflect those non-payment proceedings resulting in a court appearance. "Filings" and "Calendared" figures prior to 1998 were rounded to the nearest thousand. *Note: 2001 Evictions and Possessions data is incomplete as it excludes the work of one city marshal who died in May 2001 and whose statistics are unavailable. Evictions and Possessions Data for 2006-2008 was revised by the Department of Investigations in August of 2009.

Sources: NYC Civil Court, First Deputy Chief Clerk for Housing; NYC Department of Investigations, Bureau of City Marshals.

F.8 Homeless Statistics, 1982-2009

Year	Single Adults	Children	Families (inc. children)	Total Individuals
1982	3,786	2,507	1,005	7,584
1983	5,061	4,887	1,960	12,468
1984	6,228	7,432	2,981	17,491
1985	7,217	9,196	3,688	21,154
1986	8,890	10,493	4,286	24,896
1987	9,628	11,163	4,986	27,225
1988	9,675	11,401	5,091	27,646
1989	9,342	8,614	4,105	23,254
1990	8,535	6,966	3,591	20,131
1991	7,689	8,867	4,581	22,498
1992	6,922	9,607	5,270	23,494
1993	6,413	9,760	5,626	23,748
1994	6,235	9,610	5,629	23,431
1995	6,532	9,927	5,627	23,950
1996	7,020	9,945	5,692	24,554
1997	7,090	8,437	4,793	22,145
1998	6,875	8,054	4,558	21,277
1999	6,778	8,826	4,965	22,575
2000	6,934	9,290	5,192	23,712
2001	7,479	11,427	6,154	27,799
2002	7,750	14,952	8,071	34,576
2003	8,199	16,705	9,203	38,310
2004	8,612	15,705	8,922	37,319
2005	8,174	13,534	8,194	33,687
2006	7,662	12,597	8,339	32,430
2007Δ	6,942	14,060	9,075	34,109
2008Δ	6,530	14,327	8,856	33,554
2009	**6,764**	**15,326**	**9,719**	**35,915**

Note: Data presented are the annual averages of the homeless shelter population.
Street homelessness is not quantified in this data.

Δ Data from 2007 and 2008 was updated for the Rent Guidelines Board by the Dept. of Homeless Services and differs from data presented in earlier years.

Source: New York City Department of Homeless Services

F.9 Housing and Vacancy Survey Data, Rent Stabilized Apartments, 2005 and 2008

	2005[1]		2008[2]	
	Number	Percent	Number	Percent
Household Income				
<$5,000/Loss/No Income	64,525	6.4%	81,160	8.1%
$5,000 to $9,999	90,279	8.9%	75,931	7.6%
$10,000 to $14,999	85,943	8.5%	72,875	7.3%
$15,000 to $19,999	81,219	8.0%	65,103	6.5%
$20,000 to $24,999	76,142	7.5%	69,779	7.0%
$25,000 to $29,999	61,208	6.0%	56,132	5.6%
$30,000 to $34,999	70,502	6.9%	56,129	5.6%
$35,000 to $39,999	54,090	5.3%	49,316	4.9%
$40,000 to $49,999	105,567	10.4%	97,563	9.7%
$50,000 to $59,999	72,804	7.2%	74,875	7.5%
$60,000 to $69,999	56,074	5.5%	65,464	6.5%
$70,000 to $79,999	48,053	4.7%	52,232	5.2%
$80,000 to $89,999	37,982	3.7%	39,009	3.9%
$90,000 to $99,999	23,909	2.4%	24,526	2.4%
$100,000 to $124,999	35,698	3.5%	53,799	5.4%
$125,000 or More	51,660	5.1%	67,320	6.7%
Median	$32,000	-	$36,000	-
Mean	$45,836	-	$52,157	-
Contract Rent				
<$100	1,801	0.2%	172	0.0%
$100 to $199	11,648	1.2%	5,595	0.6%
$200 to $299	16,542	1.7%	12,527	1.3%
$300 to $399	17,631	1.8%	21,872	2.2%
$400 to $499	38,865	3.9%	30,868	3.1%
$500 to $599	88,030	8.8%	48,814	4.9%
$600 to $699	128,376	12.8%	94,628	9.6%
$700 to $799	129,635	13.0%	101,296	10.3%
$800 to $899	143,463	14.4%	119,910	12.1%
$900 to $999	112,047	11.2%	138,616	14.0%
$1,000 to $1,249	155,349	15.5%	207,590	21.0%
$1,250 to $1,499	70,229	7.0%	90,533	9.2%
$1,500 to $1,749	45,334	4.5%	56,845	5.8%
$1,750 or More	40,734	4.1%	58,924	6.0%
No Cash Rent	15,970	-	13,027	-
Median	$844	-	$925	-
Mean	$908	-	$1,008	-
Contract-Rent-to-Income Ratio				
<10%	67,976	7.0%	71,804	7.7%
10% to 14%	115,289	11.9%	106,782	11.4%
15% to 19%	115,896	12.0%	118,275	12.6%
20% to 24%	107,210	11.1%	110,665	11.8%
25% to 29%	88,068	9.1%	81,558	8.7%
30% to 34%	70,089	7.3%	64,091	6.9%
35% to 39%	55,636	5.8%	48,359	5.2%
40% to 49%	80,600	8.4%	79,437	8.5%
50% to 59%	50,537	5.2%	54,780	5.9%
60% to 69%	45,330	4.7%	38,976	4.2%
70% to 79%	27,339	2.8%	27,405	2.9%
80% or More	140,892	14.6%	132,865	14.2%
Not Computed	50,791	-	66,218	-
Median	29.1%	-	28.5%	-
Mean	37.5%	-	39.0%	-

1. 2005 HVS reflects 2004 incomes.
2. 2008 HVS reflects 2007 incomes.

Note: 2005 and 2008 data values are imputed.

Source: 2005 and 2008 New York City Housing and Vacancy Survey Tables, U.S. Bureau of the Census.

G.1 Permits Issued For Housing Units in New York City, 1960-2010

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	--	--	--	--	--	**46,792**
1961	--	--	--	--	--	**70,606**
1962	--	--	--	--	--	**70,686**
1963	--	--	--	--	--	**49,898**
1964	--	--	--	--	--	**20,594**
1965	--	--	--	--	--	**25,715**
1966	--	--	--	--	--	**23,142**
1967	--	--	--	--	--	**22,174**
1968	--	--	--	--	--	**22,062**
1969	--	--	--	--	--	**17,031**
1970	--	--	--	--	--	**22,365**
1971	--	--	--	--	--	**32,254**
1972	--	--	--	--	--	**36,061**
1973	--	--	--	--	--	**22,417**
1974	--	--	--	--	--	**15,743**
1975	--	--	--	--	--	**3,810**
1976	--	--	--	--	--	**5,435**
1977	--	--	--	--	--	**7,639**
1978	--	--	--	--	--	**11,096**
1979	--	--	--	--	--	**14,524**
1980	--	--	--	--	--	**7,800**
1981	--	--	--	--	--	**11,060**
1982	--	--	--	--	--	**7,649**
1983	--	--	--	--	--	**11,795**
1984	--	--	--	--	--	**11,566**
1985	1,263	1,068	12,079	2,211	3,711	**20,332**
1986	920	1,278	1,622	2,180	3,782	**9,782**
1987	931	1,650	3,811	3,182	4,190	**13,764**
1988	967	1,629	2,460	2,506	2,335	**9,897**
1989	1,643	1,775	2,986	2,339	2,803	**11,546**
1990	1,182	1,634	2,398	704	940	**6,858**
1991	1,093	1,024	756	602	1,224	**4,699**
1992	1,257	646	373	351	1,255	**3,882**
1993	1,293	1,015	1,150	530	1,185	**5,173**
1994	846	911	428	560	1,265	**4,010**
1995	853	943	1,129	738	1,472	**5,135**
1996	885	942	3,369	1,301	2,155	**8,652**
1997	1,161	1,063	3,762	1,144	1,857	**8,987**
1998	1,309	1,787	3,823	1,446	2,022	**10,387**
1999	1,153	2,894	3,791	2,169	2,414	**12,421**
2000	1,646	2,904	5,110	2,723	2,667	**15,050**
2001	2,216	2,973	6,109	3,264	2,294	**16,856**
2002	2,626	5,247	5,407	3,464	1,756	**18,500**
2003	2,935	6,054	5,232	4,399	2,598	**21,218**
2004	4,924	6,825	4,555	6,853	2,051	**25,208**
2005	4,937	9,028	8,493	7,269	1,872	**31,599**
2006	4,658	9,191	8,790	7,252	1,036	**30,927**
2007	3,088	10,930	9,520	7,625	739	**31,902**
2008	2,482	12,744	9,700	7,730	1,255	**33,911**
2009	**1,647**	**1,003**	**1,363**	**1,474**	**570**	**6,057**
2010 (1st Qtr)	56 (164)	175 (137)	326 (151)	249 (508)	199 (117)	**1,005 (1,077)**

First three months of 2010. The number of permits issued in the first three months of 2009 is in parenthesis.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.2 Permits Issued by Building Size & Borough (In Percentages), 2001-2009

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
2001					
Bronx	3.7%	59.7%	31.9%	4.8%	543
Brooklyn	22.3%	44.6%	24.1%	9.0%	1,028
Manhattan	2.8%	3.5%	56.3%	37.3%	142
Queens	14.1%	58.8%	23.5%	3.6%	1,007
Staten Island	72.6%	27.3%	0.1%	0.0%	1,799
Citywide	*37.6%*	*41.4%*	*16.4%*	*4.6%*	*4,519*
2002					
Bronx	2.7%	57.4%	35.4%	4.6%	676
Brooklyn	15.8%	41.9%	27.5%	14.8%	1,197
Manhattan	4.1%	4.1%	24.3%	67.6%	74
Queens	17.7%	53.8%	23.8%	4.7%	1,210
Staten Island	69.3%	29.4%	1.1%	0.2%	1,317
Citywide	*29.9%*	*43.2%*	*19.9%*	*7.1%*	*4,474*
2003					
Bronx	9.2%	50.3%	30.5%	9.9%	596
Brooklyn	8.2%	46.1%	31.5%	14.2%	1,446
Manhattan	1.3%	8.8%	2.5%	87.5%	80
Queens	12.1%	54.2%	28.6%	5.2%	1,335
Staten Island	64.8%	34.6%	0.5%	0.1%	1,887
Citywide	*29.1%*	*44.0%*	*19.3%*	*7.6%*	*5,344*
2004					
Bronx	4.1%	40.2%	46.9%	8.9%	813
Brooklyn	8.0%	31.3%	43.6%	17.1%	1,407
Manhattan	1.1%	3.3%	16.7%	78.9%	90
Queens	13.3%	55.5%	25.9%	5.2%	1,986
Staten Island	46.2%	53.3%	0.2%	0.3%	1,308
Citywide	*18.1%*	*45.9%*	*27.3%*	*8.7%*	*5,604*
2005					
Bronx	3.5%	29.9%	54.9%	11.6%	825
Brooklyn	6.4%	28.3%	45.3%	20.0%	1,638
Manhattan	2.6%	0.9%	6.1%	90.4%	115
Queens	17.5%	47.5%	27.1%	7.8%	1,912
Staten Island	63.9%	34.6%	1.0%	0.5%	1,297
Citywide	*22.5%*	*35.8%*	*30.0%*	*11.8%*	*5,787*
2006					
Bronx	7.7%	33.6%	51.4%	7.3%	959
Brooklyn	8.1%	23.2%	45.7%	23.0%	1,389
Manhattan	1.8%	3.5%	5.3%	89.4%	113
Queens	14.3%	49.7%	29.0%	7.1%	2,014
Staten Island	62.7%	36.2%	0.0%	1.1%	697
Citywide	*17.7%*	*36.7%*	*33.2%*	*12.4%*	*5,172*
2007					
Bronx	6.8%	43.7%	41.7%	7.8%	643
Brooklyn	0.0%	18.3%	51.7%	30.0%	1,079
Manhattan	5.0%	1.7%	5.8%	87.6%	121
Queens	17.1%	53.1%	21.3%	8.6%	1,562
Staten Island	60.7%	38.6%	0.2%	0.6%	511
Citywide	*16.0%*	*38.5%*	*29.8%*	*15.8%*	*3,916*
2008					
Bronx	43.4%	17.7%	23.1%	15.8%	373
Brooklyn	0.0%	25.0%	18.7%	56.3%	787
Manhattan	2.0%	0.0%	0.0%	98.0%	152
Queens	18.5%	42.3%	14.8%	24.4%	755
Staten Island	50.4%	40.1%	0.5%	9.0%	367
Citywide	*20.1%*	*30.0%*	*14.3%*	*35.7%*	*2,434*
2009					
Bronx	**38.1%**	**14.4%**	**20.6%**	**26.9%**	**160**
Brooklyn	**0.8%**	**28.2%**	**38.9%**	**32.1%**	**131**
Manhattan	**0.0%**	**0.0%**	**11.8%**	**88.2%**	**34**
Queens	**29.7%**	**43.3%**	**16.0%**	**11.0%**	**418**
Staten Island	**48.0%**	**49.8%**	**0.0%**	**2.2%**	**271**
Citywide	***31.2%***	***37.1%***	***15.3%***	***16.5%***	***1,014***

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.3 New Dwelling Units Completed in New York City, 1960-2009

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	4,970	9,860	5,018	14,108	1,292	**35,248**
1961	4,424	8,380	10,539	10,632	1,152	**35,127**
1962	6,458	10,595	12,094	15,480	2,677	**47,304**
1963	8,780	12,264	19,398	17,166	2,423	**60,031**
1964	9,503	13,555	15,833	10,846	2,182	**51,919**
1965	6,247	10,084	14,699	16,103	2,319	**49,452**
1966	7,174	6,926	8,854	6,935	2,242	**32,131**
1967	4,038	3,195	7,108	5,626	3,069	**23,036**
1968	3,138	4,158	2,707	4,209	3,030	**17,242**
1969	1,313	2,371	6,570	3,447	3,768	**17,469**
1970	1,652	1,695	3,155	4,230	3,602	**14,334**
1971	7,169	2,102	4,708	2,576	2,909	**19,464**
1972	11,923	2,593	1,931	3,021	3,199	**22,667**
1973	6,294	4,340	2,918	3,415	3,969	**20,936**
1974	3,380	4,379	6,418	3,406	2,756	**20,339**
1975	4,469	3,084	9,171	2,146	2,524	**21,394**
1976	1,373	10,782	6,760	3,364	1,638	**23,917**
1977	721	3,621	2,547	1,350	1,984	**10,223**
1978	464	345	3,845	697	1,717	**7,068**
1979	405	1,566	4,060	1,042	2,642	**9,715**
1980	1,709	708	3,306	783	2,380	**8,886**
1981	396	454	4,416	1,152	2,316	**8,734**
1982	997	332	1,812	2,451	1,657	**7,249**
1983	757	1,526	2,558	2,926	1,254	**9,021**
1984	242	1,975	3,500	2,291	2,277	**10,285**
1985	557	1,301	1,739	1,871	1,939	**7,407**
1986	968	2,398	4,266	1,776	2,715	**12,123**
1987	1,177	1,735	4,197	2,347	3,301	**12,757**
1988	1,248	1,631	5,548	2,100	2,693	**13,220**
1989	847	2,098	5,979	3,560	2,201	**14,685**
1990	872	929	7,260	2,327	1,384	**12,772**
1991	656	764	2,608	1,956	1,627	**7,611**
1992	802	1,337	3,750	1,498	1,136	**8,523**
1993	886	616	1,810	801	1,466	**5,579**
1994	891	1,035	1,927	1,527	1,573	**6,953**
1995	1,166	1,647	2,798	1,013	1,268	**7,892**
1996	1,075	1,583	1,582	1,152	1,726	**7,118**
1997	1,391	1,369	816	1,578	1,791	**6,945**
1998	575	1,333	5,175	1,263	1,751	**10,097**
1999	1,228	1,025	2,341	2,119	2,264	**8,977**
2000	1,385	1,353	6,064	2,096	1,896	**12,794**
2001	1,617	2,404	6,036	1,225	2,198	**13,480**
2002	1,220	2,248	8,326	1,981	2,453	**16,228**
2003	1,473	2,575	3,798	2,344	2,589	**12,779**
2004 π	3,326	4,512	6,150	3,087	2,291	**19,366**
2005 π	3,012	5,007	5,006	4,526	1,942	**19,493**
2006 π	4,311	6,418	5,199	5,940	1,900	**23,768**
2007 π	4,445	7,073	7,521	5,940	1,450	**26,429**
2008 π	4,241	7,306	6,141	5,672	1,021	**24,381**
2009 π	**2,970**	**7,653**	**5,406**	**5,313**	**887**	**22,229**

Note: Dwelling unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings, or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Prior year's data may be adjusted and may not match prior reports.

π Data from 2004-2009 now includes Final Certificates of Occupancy (as with all other years) as well as Temporary Certificates of Occupancy data for the first time. Data will be updated every year to reflect the most current estimates.

Source: New York City Department of City Planning, Certificates of Occupancy issued in Newly Constructed Buildings.

G.4 Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2004-2009

	2004	2005	2006	2007	2008	2009
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	268 (6,018)	361 (12,210)	644 (19,780)	573 (19,511)	454 (13,998)	335 (7,270)
Rehabilitation	18 (334)	6 (223)	0	8 (71)	4 (130)	1 (73)
Conversion (Non-Eviction)	16 (1,550)	24 (2,356)	53 (6,331)	66 (5,441)	50 (2,582)	29 (725)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	**302 (7,902)**	**391 (14,789)**	**697 (26,201)**	**647 (25,023)**	**508 (16,710)**	**364 (8,068)**
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
HPD Sponsored Plans						
New Construction	0	0	0	0	0	0
Rehabilitation	0	0	0	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	15 (274)	18 (269)	13 (273)	16 (248)	18 (241	13 (274)
HPD Total	**15 (274)**	**18 (269)**	**13 (273)**	**16 (248)**	**18 (241)**	**13 (274)**
Grand Total	**317 (8,176)**	**409 (15,058)**	**710 (26,474)**	**663 (25,271)**	**526 (16,951)**	**378 (8,342)**

Note: Figures exclude "Homeowner" and "Commercial" plans/units.
Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.5 Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1983-2009

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	**Total New Construction Conversion & Rehab**	Units in HPD Sponsored Plans
1983	4,865	18,009	19,678	--	**42,552**	906
1984	4,663	7,432	25,873	--	**37,968**	519
1985	9,391	2,276	30,277	--	**41,944**	935
1986	11,684	687	39,874	--	**52,245**	195
1987	8,460	1,064	35,574	--	**45,098**	1,175
1988	9,899	1,006	32,283	--	**43,188**	1,159
1989	6,153	137	25,459	--	**31,749**	945
1990	4,203	364	14,640	--	**19,207**	1,175
1991	1,111	173	1,757	--	**3,041**	2,459
1992	793	0	566	--	**1,359**	1,674
1993	775	41	134	--	**950**	455
1994	393	283	176	807	**1,659**	901
1995	614	426	201	1,258	**2,499**	935
1996	21	0	149	271	**441**	0
1997	1,417	26	131	852	**2,426**	533
1998	3,225	0	386	826	**4,437**	190
1999	1,123	343	359	1,029	**2,854**	295
2000	1,911	203	738	220	**3,072**	179
2001	3,833	22	1,053	124	**5,032**	22
2002	2,576	260	1,974	348	**5,158**	260
2003	4,870	0	639	418	**5,927**	0
2004	6,018	274	1,550	334	**8,176**	274
2005	12,210	269	2,356	223	**15,058**	269
2006	19,870	273	6,331	0	**26,474**	273
2007	19,511	248	5,441	71	**25,271**	248
2008	13,998	241	2,582	130	**16,951**	241
2009	**7,270**	**274**	**725**	**73**	**8,342**	**274**

Note: Rehabilitated units were tabulated separately beginning in 1994. HPD Plans are a subset of all plans. Some numbers were revised from prior years.

Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.6 Tax Incentive Programs, 2007-2009

Buildings Receiving Certificates for 421-a Exemptions, 2007-2009

	2007		2008		2009	
	Certificates	Units	Certificates	Units	Certificates	Units
Bronx	24	1,020	34	1,521	27	793
Brooklyn	50	825	55	1,241	59	820
Manhattan	24	1,939	26	1,237	27	2,090
Queens	44	428	49	516	54	813
Staten Island	0	0	1	6	3	97
TOTAL	**142**	**4,212**	**165**	**4,521**	**170**	**4,613**

Buildings Receiving J-51 Tax Abatements and Exemptions, 2006-2008

	2007			2008			2009		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	153	7,381	16,757	148	7,767	18,203	134	5,973	14,615
Brooklyn	283	12,470	24,575	312	14,858	29,858	269	12,209	26,742
Manhattan	208	12,348	24,302	369	26,110	26,720	125	7,443	14,613
Queens	309	23,148	15,487	441	15,340	10,193	607	11,621	10,261
Staten Island	4	334	158	91	403	805	3	621	122
TOTAL	**957**	**55,681**	**81,278**	**1,361**	**64,478**	**85,779**	**1,138**	**37,867**	**66,353**

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.7 Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2009

Year	421-a	J-51	Year	421-a	J-51
1981	3,505	--	1996	1,085	70,431
1982	3,620	--	1997	2,099	145,316
1983	2,088	--	1998	2,118	103,527
1984	5,820	--	1999	6,123	82,121
1985	5,478	--	2000	2,828	83,925
1986	8,569	--	2001	4,870	81,321
1987	8,286	--	2002	4,953	70,145
1988	10,079	109,367	2003	3,782	74,005
1989	5,342	64,392	2004	6,738	117,503
1990	980	113,009	2005	5,062	66,370
1991	3,323	115,031	2006	3,875	66,010
1992	2,650	143,593	2007	4,212	55,681
1993	914	122,000	2008	4,521	64,478
1994	627	60,874	**2009**	**4,613**	**37,867**
1995	2,284	77,072			

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.8 City-Owned Properties, Fiscal Years 1987-2008

	Central Management				Alternative Management		Vestings		Buildings Sold
Fiscal Year	Occupied Units	Occupied Buildings	Vacant Units	Vacant Buildings	Units	Buildings	Units	Buildings	Buildings
1987	38,201	4,042	48,987	4,638	13,723	587	-	-	621
1988	37,355	3,628	37,734	3,972	14,494	624	--	--	58 +
1989	32,377	3,359	45,724	3,542	17,621	780	--	--	72
1990	33,851	3,303	37,951	3,110	14,800	705	3,323	292	112
1991	32,783	3,234	30,534	2,796	12,695	615	2,288	273	140
1992	32,801	3,206	22,854	2,368	--	--	1,462	197	--
1993	32,078	3,098	17,265	2,085	9,237	470	2,455	211	162
1994	30,358	2,992	13,675	1,763	8,606	436	715	69	81
1995	27,922	2,885	11,190	1,521	7,903	433	240	17	170
1996	24,503	2,684	9,971	1,349	6,915	393	49	2	386
1997	22,298	2,484	8,177	1,139	5,380	289	0	0	253
1998	19,084	2,232	7,511	1,021	6,086	305	0	0	206
1999	15,333	1,905	6,664	869	6,640	401	0	0	251
2000	13,613	1,730	6,295	805	6,282	382	0	0	136
2001	8,299	1,203	4,979	633	7,973	504	0	0	321
2002	5,715	919	3,762	524	7,756	477	0	0	302
2003	4,049	610	2,370	367	7,064	441	0	0	184
2004	1,970	373	1,806	275	7,348	466	0	0	217
2005	1,114	235	1,294	221	6,516	451	0	0	169
2006	727	175	826	155	5,582	373	0	0	171
2007	466	133	517	92	5,039	316	0	0	105
2008	415	115	415	75	4,242	259	0	0	66

Note: HPD could not confirm vestings data prior to FY 1990. Complete data from 2009 is not available and is thus not included in this table.
Source: NYC Department of Housing Preservation and Development.

G.9 Building Demolitions in New York City, 1989-2009

	Bronx		Brooklyn		Manhattan		Queens		Staten Island		Total	
Year	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	**5+ Units**	**Total**
1989	6	48	8	160	20	38	3	219	0	109	**37**	**574**
1990	4	29	3	133	20	28	5	119	0	71	**32**	**380**
1991	10	33	15	95	9	14	1	68	0	32	**35**	**242**
1992	12	51	6	63	2	5	1	41	0	33	**21**	**193**
1993	0	17	4	94	0	1	3	51	0	5	**7**	**168**
1994	3	14	4	83	5	5	2	42	0	8	**14**	**152**
1995	2	18	0	81	0	0	2	37	0	17	**4**	**153**
1996	--	30	--	123	--	25	--	118	--	84	**--**	**380**
1997	--	29	--	127	--	51	--	168	--	119	**--**	**494**
1998	--	71	--	226	--	103	--	275	--	164	**--**	**839**
1999	--	67	--	211	--	53	--	227	--	159	**--**	**717**
2000	--	64	--	499	--	101	--	529	--	307	**--**	**1,500**
2001	--	96	--	421	--	160	--	519	--	291	**--**	**1,487**
2002	--	126	--	500	--	89	--	600	--	456	**--**	**1,771**
2003	--	161	--	560	--	100	--	865	--	564	**--**	**2,250**
2004	--	238	--	691	--	141	--	1128	--	547	**--**	**2,745**
2005	--	245	--	1,080	--	145	--	1,545	--	477	**--**	**3,492**
2006	--	334	--	1,109	--	259	--	1,485	--	381	**--**	**3,568**
2007	--	302	--	984	--	282	--	1,407	--	308	**--**	**3,283**
2008	--	206	--	925	--	252	--	1,082	--	215	--	**2,680**
2009	**--**	**166**	**--**	**467**	**--**	**153**	**--**	**663**	**--**	**177**	--	**1,626**

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings began supplying the total number of buildings demolished from 1996 forward, and cannot specify whether buildings are residential, nor if they have 5+ units. Demolition statistics from 1985 though 1995 are solely residential buildings.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch; New York City Department of Buildings.

H.1 Additions to the Stabilized Housing Stock, 1994-2009

			Mitchell-Lama Buyouts					Formerly	
Year	421-a	J-51	State	City	Lofts	421-g	420-c	Controlled	Total
1994	-	114	0	0	-	-	-	-	114
1995	-	88	306	0	-	-	-	-	394
1996	-	8	0	0	-	-	-	-	8
1997	-	38	323	0	-	-	-	-	361
1998	-	135	574	1,263	64	-	-	-	2,036
1999	-	33	286	0	71	-	-	-	390
2000	-	224	0	0	96	-	-	-	320
2001	-	494	0	0	56	-	-	-	550
2002	-	260	0	232	16	-	-	-	508
1994-2002	20,240	1,394	1,489	1,495	303	865	5,500	31,159	62,445
2003	1,929	171	0	279	20	41	1,781	916	5,137
2004	4,941	142	0	229	129	188	1,973	706	8,308
2005	3,380	25	251	481	66	79	1,664	721	6,667
2006	2,264	130	285	2,755	81	5	1,798	634	7,952
2007	2,838	135	2,227	290	35	441	2,558	592	9,116
2008	1,856	55	0	101	35	865	4,767	887	8,566
2009	2,438	18	112	0	36	0	5,413	519	8,500
Total	**39,886**	**2,070**	**4,364**	**5,630**	**705**	**2,484**	**25,454**	**36,134**	**116,727**

421-a Notes: Between 1994-2002, a count of 26,987 421-a units includes co-op and condo units that were created under the 421-a program. Analysis of the RPAD database shows that on average from 1994 to 2002, 25% of 421-a units were owner units and 75% were rental units. Therefore an estimated 20,240 units were added to the rent stabilized stock. In 2003, 51% of 421-a units were rental units, therefore, of the 3,782 units created under the 421-a program in 2003, 1,929 were rentals that are rent stabilized. In 2004, 72% of 421-a units were rental units, therefore, of the 6,862 units created under the 421-a program in 2004, 4,941 were rentals that are rent stabilized. In 2005, 67% of new 421-a units were rentals, 3,380 of a total of 5,062 units. In 2006, 58% of new 421-a units were rentals, 2,264 of a total of 3,875. In 2007, 67% of new 421-a units were rentals, 2,838 of a total of 4,212. In 2008, 41% of new 421-a units were rentals, 1,856 of a total of 4,521. In 2009, 53% of new 421-a units were rentals, 2,438 of a total of 4,613.

J-51 Notes: The numbers represent units that were not rent stabilized prior to entering the J-51 Program. Most units participating in the J-51 Program were rent stabilized prior to their J-51 status and therefore are not considered additions to the rent stabilized stock.

Loft Notes: Loft conversion counts are not available from 1994 to 1997.

421-g, 420-c and Rent Controlled Notes: Counts for each year between 1994 and 2002 are not available; only an aggregate is available.

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board.

H.2 Additions to the Stabilized Housing Stock by Borough, 2009

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
421-a	384	499	1,231	323	1	2,438
421-g	0	0	0	0	0	0
420-c	2,536	1,225	1,047	240	365	5,413
J-51	0	18	0	0	0	18
Mitchell-Lama Buyouts (City & State)	0	0	112	0	0	112
Lofts	0	0	36	0	0	36
Formerly Rent Controlled	-	-	-	-	-	519
Total*	**2,920**	**1,742**	**2,426**	**563**	**366**	**8,536**

*Note: The totals for each borough do not include formerly rent controlled units since borough level data was not provided to the Rent Guidelines Board.

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board.

H.3 Subtractions from the Stabilized Housing Stock Due to High Rent/High Income Decontrol by Borough, 1994-2009

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	0	0	904	0	0	904
1995	0	0	346	0	0	346
1996	1	0	180	4	0	185
1997	1	0	157	2	0	160
1998	3	0	366	3	0	372
1999	2	1	279	1	0	283
2000	2	1	227	0	0	230
2001	3	0	209	2	0	214
2002	1	1	258	2	0	262
2003	2	13	177	6	0	198
2004	0	13	173	8	0	194
2005	4	30	220	11	0	265
2006	8	28	244	21	0	301
2007	9	45	241	14	0	309
2008	10	50	198	20	0	278
2009	16	57	364	20	0	457
Total	**62**	**239**	**4,543**	**114**	**0**	**4,958**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, grants by year of filing petition cycle.

H.4 Subtractions from the Stabilized Housing Stock Due to High Rent/Vacancy Decontrol by Borough, 1994-2009

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	3	9	544	9	0	565
1995	1	111	927	8	0	1,047
1996	10	106	1,203	6	0	1,325
1997	6	77	1,121	0	0	1,204
1998	7	116	2,247	14	0	2,384
1999	11	151	3,586	37	0	3,785
2000	7	279	2,586	62	0	2,934
2001	53	294	4,490	145	0	4,982
2002	64	391	5,431	251	7	6,144
2003	83	640	7,048	416	17	8,204
2004	101	758	7,271	697	29	8,856
2005	184	852	7,303	904	29	9,272
2006	217	1,408	7,187	1,106	65	9,983
2007	375	1,409	7,114	1,380	64	10,342
2008	447	1,884	8,600	1,787	82	12,800
2009	537	2,013	8,718	2,195	94	13,557
Total	**2,106**	**10,498**	**75,376**	**9,017**	**387**	**97,384**

Note: Registration of deregulated units with DHCR was voluntary and not required from 1994-2000. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years. The NYC City Council required proof of registration with DHCR of the unit as exempt to be sent to the tenant beginning in March 2000 (see Endnote 7).

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.5 Subtractions from the Stabilized Housing Stock, 1994-2009

Year	High Rent/ High Income Decontrol	High Rent/ Vacancy Decontrol	Co-op/Condo Conversion	421-a Expiration	J-51 Expiration	Substantial Rehab	Commercial/ Professional Conversion	Other	Total
1994	904	565	5,584	2,005	1,345	332	139	1,904	12,778
1995	346	1,047	4,784	990	1,440	334	113	1,670	10,724
1996	185	1,325	4,733	693	1,393	601	117	1,341	10,388
1997	160	1,204	3,723	1,483	1,340	368	109	1,365	9,752
1998	372	2,384	3,940	2,150	1,412	713	78	1,916	12,965
1999	283	3,785	2,822	3,514	1,227	760	110	1,335	13,836
2000	230	2,934	3,147	3,030	884	476	729	1,372	12,802
2001	214	4,982	2,153	770	1,066	399	88	1,083	10,755
2002	262	6,144	1,774	653	1,081	508	45	954	11,421
2003	198	8,204	1,474	651	854	340	59	912	12,692
2004	194	8,856	1,564	493	609	268	79	954	13,017
2005	265	9,272	1,692	451	545	692	111	1,017	14,045
2006	301	9,983	1,567	263	236	350	135	1,139	13,974
2007	309	10,342	1,455	161	270	297	66	1,304	14,204
2008	278	12,800	1,405	376	176	421	56	1,321	16,833
2009	457	13,557	1,153	1,075	286	441	62	1,557	18,588
Total	**4,958**	**97,384**	**42,970**	**18,758**	**14,164**	**7,300**	**2,096**	**21,144**	**190,186**

Co-op/Condo Note: Subtractions from the stabilized stock in co-ops and condos are due to two factors: (1) stabilized tenants vacating rental units in previously converted buildings and (2) new conversions of stabilized rental units to ownership.

High Rent/Vacancy Decontrol Note: See Appendix 4 note.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.6 Subtractions from the Stabilized Housing Stock by Borough, 2009

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
High Rent/High Income Decontrol	16	57	364	20	0	457
High Rent/Vacancy Decontrol	537	2,013	8,718	2,195	94	13,557
Co-op/Condo Conversion	85	229	334	498	7	1,153
421-a Expirations	18	14	882	159	2	1,075
J-51 Expirations	0	39	244	3	0	286
Substantial Rehabilitation	3	270	162	6	0	441
Commercial/Professional Conversion	3	14	33	10	2	62
Other	133	290	980	152	2	1,557
Total	**795**	**2,926**	**11,717**	**3,043**	**107**	**18,588**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

Glossary & Index

Glossary of Rent Regulation

1/40th Increase: See "Individual Apartment Improvements“

421-a Tax Incentive Program: Created in 1970. Offers tax exemptions to qualifying new multifamily properties containing three or more rental units. Apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protections as stabilized tenants and initial rents approved by HPD are then confined to increases established by the Rent Guidelines Board.

Adjustable Rate Mortgage (ARM): Similar to a variable rate mortgage except that interest rate adjustments are capped in order to protect lenders and borrowers from sudden upturns or downturns in a market index.

Affordable Housing: As defined by the United States Department of Housing and Urban Development, any housing accommodation for which a tenant household pays 30% or less of its income for shelter.

Balloon Loan: A type of loan that is partially amortized, which means that principal is partially paid throughout the term of the loan. At maturity, the borrower still has a substantial sum (balloon) that must be repaid or refinanced.

Class A Multiple Dwelling: As defined under the Multiple Dwelling Law, a multiple dwelling building which is generally occupied as a permanent residence. The class includes such buildings as apartment houses, apartment hotels, maisonette apartments, and all other multiple dwellings except Class B dwellings.

Class B Multiple Dwelling: A multiple dwelling which is occupied, as a rule, transiently, as the more or less temporary abode of individuals or families. This class includes such buildings as hotels, lodging houses, rooming houses, boarding schools, furnished room houses, college and school dormitories.

Condominium: A form of property ownership in which units are individually owned and the owners acquire shares in an association that owns and cares for common areas.

Cooperative: A form of property ownership in which a building or complex is owned by a corporation. Shares in the corporation are allocated per apartment and the owners of those shares, who are called proprietary lessees, may either live in the apartment for which the shares are allocated or rent that apartment to a sub-tenant.

Core Manhattan: The area of Manhattan south of 96th Street on the East Side and 110th Street on the West Side. See also “Upper Manhattan.”

Cross-sectional: The type of analysis that provides a "snapshot" view of data as it appears in a singular moment or period of time.

Debt Service: Repayment of loan principal and interest; the projected debt service is the determining factor in setting the amount of the loan itself.

Debt Service Ratio: The net operating income divided by the debt service; it measures a borrower’s ability to cover mortgage payments using a building’s net operating income.

Decontrol: See "Deregulation."

Department of Housing Preservation and Development (HPD): The New York City agency with primary responsibility for promulgating and enforcing housing policy and laws in the City. (Also see DHCR)

Deregulation: Also known as “Decontrol” or “Destabilization.” Deregulation occurs by action of the owner when an apartment under either rent control or rent stabilization legally meets the criteria for leaving regulation. When an apartment is deregulated, the rent may be set at ‘market rate.’ There are two types of deregulation, commonly referred to as Luxury Decontrol (a.k.a. High-Income High-Rent Decontrol) and Vacancy Decontrol (a.k.a High-Rent Decontrol). See these terms for details.

Destabilization: See "Deregulation."

DHCR: See "Division of Housing and Community Renewal."

Disability Rent Increase Exemption (DRIE): A program which freezes the rent of a New York City tenant or tenant’s spouse who is disabled (defined as receiving either Federal Supplemental Security Income, Federal Social Security Disability Insurance, US

Department of Veterans Affairs disability pension or compensation, or Disability-related Medicaid) and living in a rent regulated apartment. To currently qualify for this benefit, a single person household must make no more than $19,284 per year and a two- or more-person household must make a combined household income no more than $27,780 per year, as well as paying at least 1/3 of their income toward their rent,

Discount Rate: The interest rate Federal Reserve Banks charge for loans to depository institutions.

Distressed Buildings: Buildings that have operating and maintenance expenses greater than gross income are considered distressed.

Division of Housing and Community Renewal (DHCR): The New York State agency with primary responsibility for formulating New York State housing policy, and monitoring and enforcing the provisions of the state's residential rent regulation laws.

Emergency Tenant Protection Act of 1974 (ETPA): Chapter 576 Laws of 1974: In Nassau, Rockland and Westchester counties, rent stabilization applies to non-rent controlled apartments in buildings of six or more units built before January 1, 1974 in localities that have declared an emergency and adopted ETPA. In order for rents to be placed under regulation, there has to be a rental vacancy rate of less than 5% for all or any class or classes of rental housing accommodations. Some municipalities limit ETPA to buildings of a specific size, for instance, buildings with 20 or more units. Each municipality declaring an emergency and adopting local legislation pays the cost of administering ETPA (in either Nassau, Rockland or Westchester County). In turn, each municipality can charge the owners of subject housing accommodations a fee (up to $10 per unit per year).

Eviction: An action by a building owner in a court of competent jurisdiction to obtain possession of a tenant's housing accommodation.

Fair Market Rents (FMR): In New York City, when a tenant voluntarily vacates a rent controlled apartment, the apartment becomes decontrolled. If that apartment is in a building containing six or more units, the apartment becomes rent stabilized. The owner may charge the first stabilized tenant a fair market rent. All future rent increases are subject to limitations under the Rent Stabilization Law, whether the same tenant renews the lease or the apartment is rented to another tenant. The Rent Stabilization Law permits the first stabilized tenant after decontrol to challenge the first rent charged after decontrol, through a Fair Market Rent Appeal, if the tenant believes that the rent set by the owner exceeds the fair market rent for the apartment. The Appeal is decided taking into consideration the Fair Market Rent Special Guideline and rents for comparable apartments.

Family Assistance Program (FAP): NY State's TANF program. See "Temporary Assistance to Needy Families."

Federal Deposit Insurance Corporation (FDIC): Established by the federal government in 1950 to insure the deposits of member banks and savings associations.

Federal Reserve Board: The central bank of the United States founded by Congress in 1913 to provide the nation with a safer, more flexible, and more stable monetary and financial system.

Federal Funds Rate: Set by the Federal Reserve, this is the rate banks charge each other for overnight loans.

Fixed Rate Mortgage (FRM): The interest rate is constant for the term of a mortgage.

Fuel Cost Adjustment: The New York City Rent Control Law allows separate adjustments based on the changes, up or down, in the price of various types of heating fuels. The adjustment will be based on fuel price changes between the beginning and end of the prior year. Only tenants in rent controlled apartments located in New York City are subject to this fuel cost adjustment. Early rent stabilized New York City Rent Guidelines Board orders also contained supplementary guidelines adjustments denominating fuel cost adjustments.

Gross City Product (GCP): The dollar measurement of the total citywide production of goods and services in a given year.

Guideline Rent Increases: The percentage increase of the Legal Regulated Rent that is allowed when a new or renewal lease is signed. This percentage is determined by the New York City Rent Guidelines Board for renewal leases signed between October 1 of the current year and September 30 of the following year. The percentage increase allowed is dependent on the term of the lease and whether the lease is a renewal or vacancy lease (see 'Vacancy Allowance'). Although in the past the RGB customarily set increases for vacancy leases, it has not done so since the passage of the Rent Regulation Reform Act of 1997, which established statutory vacancy increases. Sometimes additional factors, such as the amount of the rent, whether or not electricity is included in the rent and the past rental history, have also resulted in varying adjustments.

High-Rent/High-Income Decontrol (Luxury Decontrol): The change in an apartment's status from being rent regulated to being deregulated because the apartment's household has (1) a yearly income of $175,000 in two or more consecutive years, and (2) the apartment's monthly rent is $2,000 or greater.

High-Rent Vacancy Decontrol (Vacancy Decontrol): A process by which a rent regulated unit becomes deregulated if at the time it next becomes vacant, the legal rent is $2,000 or greater. If the in-place tenant is rent regulated, vacancy decontrol cannot occur even if that in-place tenant's monthly rent eventually exceeds $2,000. Such decontrol can occur only following the next vacancy unless the unit is "luxury decontrolled" (See "High Rent/High Income"). Further, the $2,000 level may be reached in a variety of ways, including (1) by already being at or over $2,000 when the next vacancy occurs, (2) reaching the $2,000 level as a result of the next "vacancy allowance," or (3) reaching the $2,000 level as a result of the next "vacancy allowance" coupled with any "1/40th/individual apartment improvement" increase, MCIs or a vacancy bonus.

Home Relief: See "Safety Net Assistance."

Hotel: Under rent stabilization, a multiple dwelling that provides all of the following services included in the rent:
(1) Maid service, consisting of general house cleaning at a frequency of at least once a week;
(2) Linen service, consisting of providing clean linens at a frequency of at least once a week;
(3) Furniture and furnishings, including at a minimum a bed, lamp, storage facilities for clothing, chair and mirror in a bedroom; such furniture to be maintained by the hotel owner in reasonable condition; and
(4) Lobby staffed 24 hours a day, seven days a week by at least one employee.

Housing Maintenance Code: The code, enforced by the New York City Department of Housing Preservation and Development, provides for protection of the health and safety of apartment dwellers by setting standards for the operation, preservation and condition of buildings.

Housing and Vacancy Survey (HVS): A triennial survey of approximately 18,000 households conducted by the United States Census Bureau data. The survey is used, inter alia, to determine the vacancy rate for residential units in New York City, and gather other information necessary for HPD, RGB, DHCR and other housing officials to formulate policy.

HPD: See "Department of Housing Preservation and Development."

HUD: The United States Department of Housing and Urban Development, which is the federal agency primarily responsible for promulgating and enforcing federal housing policy and laws.

HVS: See "Housing and Vacancy Survey."

I&E: Refers to the annual *Income and Expense Study* performed by the Rent Guidelines Board drawn from summarized data on RPIE forms, the income and expense statements filed annually by owners of stabilized buildings with the New York City Department of Finance.

Individual Apartment Improvements (IAI or "1/40th"): An increase in rent based on increased services, new equipment, or improvements. This increase is a NYS policy and is in addition to the regular annual Rent Guidelines Board increases for rent stabilized apartments and Maximum Base Rent increases for rent controlled apartments. If owners add new services, improvements, or new equipment to an occupied rent regulated apartment, owners of rent regulated units can add 1/40th or 2.5% of the cost of qualifying improvements to the legal rent of those units excluding finance charges. E.g., (1) if an apartment's legal rent were $500, and (2) the landlord made $4,000 of qualifying improvements, then (3) the landlord thereafter could add 1/40th of the cost of those improvements—in this example, $100—to the apartment's existing legal monthly rent for a resulting new legal rent of $600. The 1/40th increase remains permanently in the monthly rent, even after the cost of the improvement is recouped. Owners must get the tenant's written consent to pay the increase and an order from DHCR is not required. If any apartment is vacant, the owner does not have to get written consent of a tenant to make the improvement and pass-on the 1/40th increase.

Initial Legal Registered Rent: Under rent stabilization, the lawful rent for the use and occupancy of housing accommodations under the Rent Stabilization Law or the Emergency Tenant Protection Act, as first registered with the DHCR, which has not been challenged pursuant to regulation, or if challenged, has been determined by the DHCR.

In Rem: *In Rem* units include those located in structures owned by the City of New York as a result of an in rem proceeding initiated by the City after the owner failed to pay tax on the property for one or more years. Though many of these units in multiple dwellings had previously been subject to either rent control or rent stabilization, they are exempt from both regulatory systems during the period of city ownership.

J-51 Tax Incentive Program: A New York City program under which, in order to encourage development and rehabilitation, property tax abatements and exemptions are granted. In consideration of receiving these tax abatements, and at least for the duration of the abatements, the owner of these buildings agree to place under rent stabilization those apartments which would not otherwise be subject to rent stabilization This program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated in ways that conform to the requirements of the statute. It also provides these benefits to residential buildings that were converted from commercial structures.

Legal Rent: The maximum rent level that a landlord is entitled to charge a tenant for a rent regulated unit. The landlord of a rent stabilized unit must annually register that legal rent with DHCR.

Legislature: The New York State Legislature.

Loft Board: A New York City agency that regulates lofts. Lofts are governed by Article 7-C of the Multiple Dwelling Law, and are not (until brought up to Code) within DHCR's rent regulatory jurisdiction.

Loan-to-Value Ratio (LTV): An expression of the safety of a mortgage principal based on the value of the collateral (e.g., an LTV of 50% means that a lender is willing to provide a mortgage up to half the value of a building). A decline in LTV may indicate a tightening of lending criteria and vice versa.

Longitudinal: The type of analysis that provides a comparison of identical elements over time, such as comparing data from 2007 to the same data in 2006.

Low Rent Supplement: See "Supplemental Adjustment."

Major Capital Improvements (MCI): When owners make improvements or installations to a building subject to the rent stabilization or rent control laws, they may be permitted to increase the building's rent based on the actual, verified cost of the improvement. To be eligible for a rent increase, the MCI must be a new installation and not a repair to old equipment. For example, an owner may receive an MCI increase for a new boiler or a new roof but not for a repaired or rebuilt one. Other building-wide work may qualify as MCIs as well, such as "pointing and water-proofing" a complete building where necessary. The Rent Stabilization Code also stipulates that applications for MCI rent increases must be filed within two years of completion of the installation. MCI rent increases must be approved by DHCR.

Maximum Base Rent Program (MBR): The Maximum Base Rent Program is the mechanism for authorizing rent increases for New York City apartments subject to rent control so as to ensure adequate income for their operation and maintenance. New York City Local Law 30 (1970) stipulates that MBRs be established for rent controlled apartments according to a formula calculated to reflect real estate taxes, water and sewer charges, operating and maintenance expenses, return on capital value and vacancy and collection loss allowance. The MBR is updated every two years by a factor that incorporates changes in these operating costs.

Maximum Collectible Rent (MCR): The rent that rent controlled tenants actually pay or are obligated to pay to the owner. In any one calendar year, the collectible rent shall be increased by no more than 7.5% until the MBR is reached. Other increases not associated with the MBR system are possible in the same year, in addition to the 7.5%, such as fuel cost adjustments and approved increases for individual apartment improvements and/or major capital improvements. The MCR generally is less than the MBR. For example, if a tenant's rent (MCR) on 12/31/87 was $200, and his/her MBR was $233, then on 1/1/88 (effective date of MBR) his/her rent (MCR) would rise 7.5% to $215 and the MBR ceiling would rise by 16.4% (1988/89 MBR factor) to $271.22. On 1/1/89, the MBR would remain the same (since MBRs cover a two year period), but the MCR would rise by another 7.5% to $231.12.

Mean and Medians: The "mean" is an arithmetic average of numbers. Numbers at the extreme of a range can have a potentially distorting effect on the mean. The "median" is considered by many as a more constant measure of that same set of numbers because it moderates the distorting effect of any extremes or other aberrations, because it is the 50th percentile of the numbers under analysis, or the number in the middle.

Net Operating Income (NOI): The amount of income remaining after operating and maintenance expenses are paid is typically referred to as Net Operating Income (NOI). NOI can be used for mortgage payments, improvements, federal, state and local taxes and after all expenses are paid, profit.

New Law Tenement: A "Class A" multiple dwelling constructed between 1901 and 1929 and subject to the regulations of the Tenement House Law. Distinguished from the old law tenement in terms of reduction of hazardous conditions and improved access to light and air.

New York City Housing Authority (NYCHA): The New York City agency that administers public housing and rental assistance programs.

New York City Rent Guidelines Board: See "Rent Guidelines Board."

Nominal Dollars: Dollars not adjusted to take inflation into account. See also “Real Dollars.”

Old Law Tenement: A "Class A" multiple dwelling constructed before 1901 and subject to the regulations of the Tenement House Law.

O&M: Refers to the operating and maintenance expenses in buildings.

Operating Cost Ratio: The "cost-to-income" ratio, or the percentage of income spent on O&M expenses, is traditionally used by the RGB to evaluate estimated profitability of stabilized housing, presuming that buildings are better off by spending a lower percentage of revenue on expenses.

Orders: See “Rent Guidelines Orders.”

Outer Boroughs: Queens, Brooklyn, the Bronx and Staten Island, or the boroughs of New York City not including Manhattan. These boroughs are often grouped together for purposes of analysis because their economic and demographic attributes are more similar to each other than those found in Manhattan.

PIOC: Price Index of Operating Costs. The major research instrument performed by the RGB staff to determine the annual change in prices for a market basket of goods and services used by owners to operate and maintain rent stabilized buildings.

Points: Up-front service fees charged by lenders.

Post-46 or Post-war: A common classification of residential buildings used by City agencies to describe buildings built after World War II. Buildings with six or more residential units constructed between 1947 and 1973, or after 1974 if the units received a tax abatement such as 421-a or J-51, are generally stabilized.

Preferential Rent: A rent charged by an owner to a tenant that is less than the established legal regulated rent. Owners are not necessarily required to base renewal lease increases on the preferential rent.

Pre-47 or Pre-war: A common classification of residential buildings used by City agencies to describe buildings built before the World War II. Buildings with six or more units constructed before February 1, 1947 are generally stabilized when the current tenant moved in on or after July 1, 1971.

Real Dollars: Dollars adjusted to take inflation into account. Real dollar figures offer a comparison between years that are pegged to the value of a dollar in a given year. See also “Nominal Dollars.”

Registration: Owners are required to register all rent stabilized apartments with DHCR by filing an Annual Apartment Registration Form which lists rents and tenancy information as of April 1st of each year.

Renewal Lease: The lease of a tenant in occupancy renewing the terms of a prior lease entered into between the tenant and owner for an additional term. Tenants in rent stabilized apartments have the right to select a lease renewal for a one- or two-year term. The renewal lease must be on the same terms and conditions as the expiring lease unless a change is necessary to comply with a specific law or regulation or is otherwise authorized by the rent regulation. The owner may charge the tenant a Rent Guidelines Board authorized increase based on the length of the renewal lease term selected by the tenant. The law permits the owner to raise the rent during the lease term if the Rent Guidelines rate was not finalized when the tenant signed the lease renewal offer. A renewal lease should go into effect on or after the date that it is signed and returned to the tenant as well as on the day following expiration of the prior lease. In general, the lease and any rent increase may not begin retroactively. Penalties may be imposed when an owner does not timely offer the tenant a renewal lease or timely return to the tenant an executed copy thereof.

Rent Control: The rent regulation program which generally applies to residential buildings constructed before February, 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent controlled tenant. When a rent controlled apartment becomes vacant, it either becomes rent stabilized or is removed from regulation, generally becoming stabilized if the building has six or more units and if the community has adopted Emergency Tenant Protection Act. Formerly controlled apartments may have been decontrolled on various other grounds. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. It also obligates the owner to provide essential services and equipment. In New York City, rent increases are governed by the MBR system.

Rent Guidelines Board (RGB): The New York City agency responsible for setting the yearly rent-rate adjustments for the City's rent stabilized apartments, and also the agency which produced this publication. The Board is appointed by the Mayor and consists of two members who represent tenants, two members who represent the real estate industry and five public members.

RGB Rent Index: An index that measures the overall effect of the Board's annual rent increases on contract rents.

RGB: See "Rent Guidelines Board."

Rent Guidelines Orders: Rent guideline orders are issued by the rent guidelines boards annually, usually before July 1. For the most part, they establish the percentage increases that may be given to rent stabilized/ETPA apartments upon lease renewal and for new leases. These increases are based on the review of operating expenses and other cost of living data.

RPIE Forms: Owners of stabilized buildings are required by Local Law 63 to file Real Property Income and Expense (RPIE) forms annually with the New York City Department of Finance. RPIE forms contain detailed financial information regarding the revenues earned and the costs accrued in the operation and maintenance of stabilized buildings. Buildings with fewer than 11 units, an assessed value of $40,000 or less, or exclusively residential cooperatives or condominiums are exempt from filing. RPIE forms are also known as I&E forms.

Rent Regulation Reform Act of 1997 (RRRA-97): The law passed by the New York State Legislature in June, 1997 which promulgated several new provisions for rent regulated units. See "Luxury Decontrol", "Special Low Rent Increase", "Vacancy Allowance", "Vacancy Bonus" and "Vacancy Decontrol". Also known as the "Rent Act."

Rent Stabilization: In New York City, rent stabilized apartments are generally those apartments in buildings of six or more units built between February 1, 1947 and January 1, 1974. Tenants in buildings built before February 1, 1947, who moved in after June 30, 1971 are also covered by rent stabilization. A third category of rent stabilized apartments covers buildings subject to regulation by virtue of various governmental supervision or tax benefit programs. Generally, these buildings are stabilized only while the tax benefits or governmental suspension continues. In some cases, a building with as few as three units may be stabilized. Similar to rent control, stabilization provides other protections to tenants besides regulation of rental amounts. Tenants are entitled to receive required services, to have their leases renewed, and not to be evicted except on grounds allowed by law. Leases may be entered into and renewed for one or two year terms, at the tenant's choice.

Rent Stabilization Code: The Rent Stabilization Code is the body of regulations used by DHCR to implement the Rent Stabilization Law and Emergency Tenant Protection Act in New York City. These regulations affect nearly 1 million rent stabilized apartments in New York City. Chapter 888 of the Laws of 1985 authorized DHCR to amend the Rent Stabilization Code for New York City. The current Rent Stabilization Code became effective on May 1, 1987, with subsequent revision in 2000.

Rental Vacancy Rate: The percentage of the total rental units in an area that are vacant and available for occupancy. The vacancy rate for New York City is determined every three years by the Housing and Vacancy Survey.

Rooming House: Under rent regulation, in addition to its customary usage, a building or portion of a building, other than an apartment rented for single-room occupancy, in which housing accommodations are rented, on a short-term basis of daily, weekly or monthly occupancy, to more than two occupants for whom rent is paid, not members of the landlord's immediate family. The term shall include boarding houses, dormitories, trailers not a part of a motor court, residence clubs, tourist homes and all other establishments of a similar nature, except a hotel or a motor court.

Safety Net Assistance (SNA): An income assistance program set up under the New York State Welfare Reform Act of 1997 to replace Home Relief (HR).

Section 8 Vouchers: A federally-funded housing assistance program that pays participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30% of the family's adjusted income. The family has to pay at least 10% of gross monthly income for rent. In NYC, the program is administered by NYCHA.

Section 8 Certificates: A federally-funded housing assistance program that provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low income families in private market rental units at rents they can afford. This is primarily a tenant-based rental assistance program through which participants are assisted in rental units of their choice; however, a public housing agency may also attach up to 15% of its certificate funding to rehabilitated or newly constructed units under a project-based component of the program. All assisted units must meet program guidelines. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the family's required contribution towards rent. Assisted families must pay the highest of 30% of the monthly adjusted family income, 10% of gross monthly family income, or the portion of welfare assistance designated for the monthly housing cost of the family.

Senior Citizens' Rent Increase Exemption (SCRIE): If a New York City tenant or tenant's spouse is 62 years of age or over (living in a rent regulated apartment), and the combined household income is currently $29,000 per year or less and they are paying at least 1/3 of their income toward their rent, the tenant may apply for the Senior Citizen Rent Increase Exemption (SCRIE). In New York City, the Department of Finance (DOF) administers the SCRIE program. Outside of New York City, Senior Citizen Rent Increase Exemption is a local option, and communities have different income eligibility limits and regulations. If a New York City tenant qualifies for this program, the tenant is exempt from future rent guidelines increases, Maximum Base Rent increases, fuel cost adjustments, MCI increases, and increases based on the owner's economic hardship. New York City senior citizen tenants may also carry this exemption from one apartment to another upon moving, upon the proper application being made to the Department of Finance.

Shelter Allowance: A rental grant provided to households receiving public assistance under the Family Assistance Program (FAP).

Single-Room Occupancy Housing (SRO): Residential properties in which some or all dwelling units do not contain bathroom or kitchen facilities. Under rent regulation, the occupancy by one or two persons of a single room, or of two or more rooms which are joined together, separated from all other rooms within an apartment in a multiple dwelling, so that the occupant or occupants thereof reside separately and independently of the other occupant or occupants of the same apartment.

Special Guideline: The New York City Rent Guidelines Board is obligated to promulgate special guidelines to aid the State Division of Housing and Community Renewal in its determination of initial legal regulated rents for housing accommodations previously subject to rent control. This is determined each year by the RGB as applicable to the determination of Fair Market Rent Appeals.

Special Low Rent Increase: This provision of the 1997 Rent Regulation Reform Act permits the landlords of units which rent for less than $300 to charge those vacancy allowances otherwise permitted (including the "vacancy bonus") plus $100. Moreover, if an apartment rented for between $300 and $500, this same provision of the Rent Act provides that "in no event shall the total increase pursuant to this [vacancy allowance provision of the Rent Act] be less than one hundred dollars per month."

Special Vacancy Allowance: See *Vacancy Bonus*

Statutory Vacancy Allowance: See *Vacancy Allowance*

Sublet: The temporary transfer of a tenant's legal interest in an apartment to another person. A tenant who sublets an apartment to another person is the prime tenant. The person to whom the apartment is sublet is the subtenant. In a sublet situation, the prime tenant must abide by the rent stabilization rules that govern the building owner.

Supplemental Adjustment: A rent increase that has been allowed in certain years in addition to a regular Guideline Rent increases for apartments. The supplementary adjustment amount is established for that guideline year by the New York City or County Rent Guidelines Boards based upon the date the lease was signed, the term of the lease and the county. Also known as the "Low Rent Supplement."

Surcharge: An added charge which is paid by the tenant but not included in the legal regulated rent and is not compounded by guidelines adjustments. Examples of surcharges are: the $5.00 a month charge for an air conditioner that protrudes beyond the window line; the electrical charge for air conditioners in electrical inclusion buildings; and for the installation of window guards.

Tax Commission Income and Expense Form (TCIE): An application by building owners to appeal their tax assessments.

Temporary Assistance to Needy Families (TANF): An income assistance program set up under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to replace Aid to Families with Dependent Children (AFDC). Under TANF block grant system, each state has the authority to determine who is eligible, the level of assistance, and how long it will last. The New York State's TANF program is called the Family Assistance Program (FAP).

Term: The length of time in which a mortgage is expected to be paid back to the lender; the shorter the term, the faster the principal must be repaid and consequently the higher the debt service and vice versa.

Transient Occupancy: Among the criteria that must be met for hotel rooms, tourist homes, and motor courts to be exempt from rent regulation is that they are used for transient occupancy. Whether occupancy is transient depends on a number of factors, including whether rates are charged by the day, week, or month, and the proportions of occupants who stay for various lengths of time.

Upper Manhattan: The area of Manhattan north of 96th Street on the East Side and 110th Street on the West Side. See also "Core Manhattan."

Vacancy Allowance: A provision in the Rent Regulation Reform Act of 1997 allowing owners of rent stabilized units to raise by a certain percentage the legal rent of a vacant unit. For an incoming tenant who opts for a two-year lease, the vacancy allowance is 20%. For an incoming tent who opts for a one-year lease, the vacancy allowance is 20% minus the percentage difference between the RGB's current guidelines for a two-year and a one-year lease. Other factors affect these percentages as well (see also the "Vacancy Bonus" and the "Special Low Rent Increase.") For the 2010-2011 guideline period, the one-year vacancy guideline is 17.75% and the two-year guideline is 20%.

Vacancy Bonus: An additional rental increase allowed for units that become vacant after a long-term tenant has moved out. If the prior tenant had been in occupancy at least for eight years—and thus the unit had not "received" a vacancy allowance during that time—the Rent Regulation Reform Act of 1997 permits the landlord to charge an additional 0.6% for each year since the unit received its last vacancy allowance. For example, if (1) the incoming tenant opts for a two-year lease, after (2) the prior tenant had been in occupancy for ten years, then the landlord can charge the incoming tenant a 20% vacancy allowance (for a two-year lease) plus another 6% (ten years times 0.6%) for a total increase of 26% over the legal rent which had been paid by the departing tenant.

Vacancy Lease: When a person rents a rent stabilized apartment for the first time, or, when a new name (not the spouse or domestic partner) is added to an existing lease, this is a vacancy lease. This written lease is a contract between the owner and the tenant which includes the terms and conditions of the lease, the length of the lease and the rights and responsibilities of the tenant and the owner. The Rent Stabilization Law gives the new tenant (also called the vacancy tenant) the choice of a one- or two-year lease term. The rent the owner can charge may not be more than the last legal regulated rent plus all increases authorized by the Rent Stabilization Code, including increases for improvements to the vacant apartment.

Warranty of Habitability: Real Property Law Section 235-b entitles tenants to a livable, safe and sanitary apartment and building and remedies are specified when these conditions are not met.

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Housing NYC: Rents, Markets, and Trends 2010

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